



SHOW ME THE MONEY: TOOLS FOR FINANCING INFRASTRUCTURE

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Building the Infrastructure for our Sustainable Future

18th Annual Alfred B. DelBello Land Use and Sustainable Development Conference

ABOUT



Steve Densmore, President and Founder of **Choice Words LLC**, has spent 25 years working as a communications professional in the Hudson Valley. Steve launched Choice Words in 2010 to meet an increasing need for supportive communications services among Hudson Valley nonprofits. Today the firm employs several associates serving a diverse client base (including nonprofits, colleges, municipalities and businesses) and has helped its clients win more than **\$70 million** in grant awards to date.

FUNDING PRIORITIES



CHALLENGES IN FUNDING INFRASTRUCTURE PROJECTS

- Increasing need due to aging infrastructure & deferred maintenance
- Financial constraints & the tax cap
- Rising user rates
- Complex regulatory environment
- Inadequate preparation



INFRASTRUCTURE NEEDS

How's New York's infrastructure doing?

Using a simple "A" to "F" school report card format, this *Report Card for New York's Infrastructure* provides a comprehensive look at New York's current infrastructure conditions and needs, assigning grades to indicate how it's doing overall and making recommendations to raise those grades. The Report Card has an overall Infrastructure G.P.A. of **C-** based on eight critical criteria: capacity, condition, funding, future need, operation and maintenance, public safety, resilience, and innovation. The Report Card also individually grades 9 critical infrastructure types:

Aviation	C	Drinking Water ..	C	Solid Waste	B-
Bridges	D+	Parks	B-	Transit	C-
Dams	C-	Roads	D-	Wastewater	D

*From a 2015 independent review conducted by the American Society of Civil Engineers' New York State Council

New York's Infrastructure GPA





FEDERAL FUNDING OPPORTUNITIES

US ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) PUBLIC WORKS PROGRAM

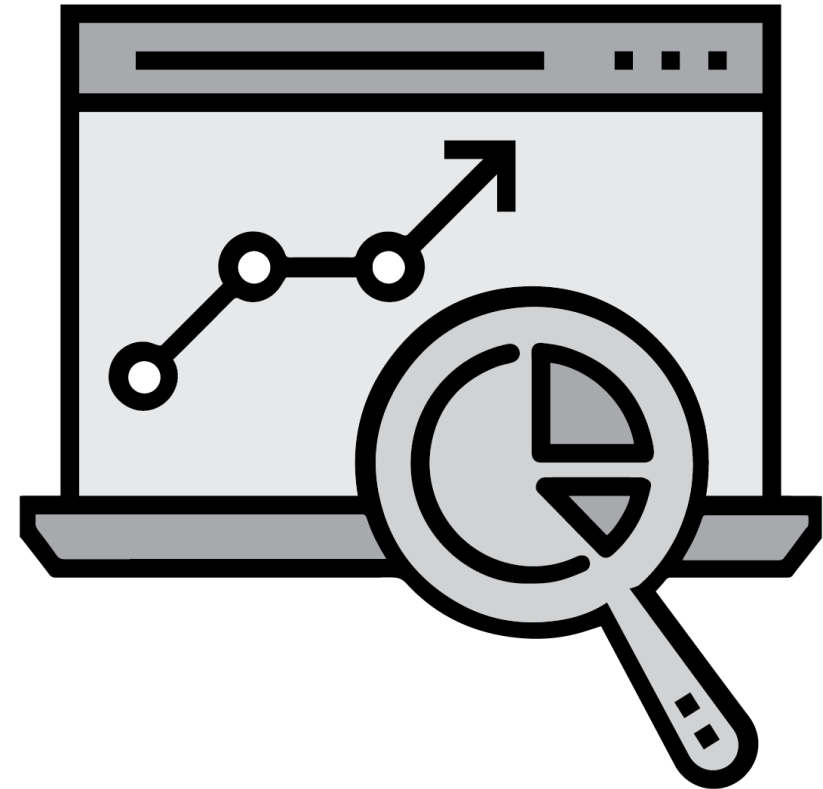
- Helps distressed communities revitalize, expand, and upgrade their physical infrastructure.
- Focus on attracting new industry; encouraging business expansion; generating jobs and investment.
- Funds 50% of project cost, usually capped around \$3M.
- Rolling deadlines.



EDA

LOCAL TECHNICAL ASSISTANCE PROGRAM

- Analyze the feasibility of potential economic development projects.
- Feasibility studies are an effective tool for determining whether the market will support a particular activity or site.
- Helps win the Public Works grant.



US DEPARTMENT OF AGRICULTURE (USDA) RURAL BUSINESS DEVELOPMENT GRANTS (RBDG)

- Competitive grant designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses.
- Must have fewer than 50 employees and less than \$1 million in gross revenues.
- Awards are generally \$10,000 - \$500,000 with no match required.





STATE FUNDING OPPORTUNITIES

NYS CONSOLIDATED FUNDING APPLICATION (CFA)

Department of Environmental Conservation (DEC)

- \$3 Million –Engineering Planning Grant Program
- \$79 Million –Water Quality Improvement

Environmental Facilities Corporation (EFC)

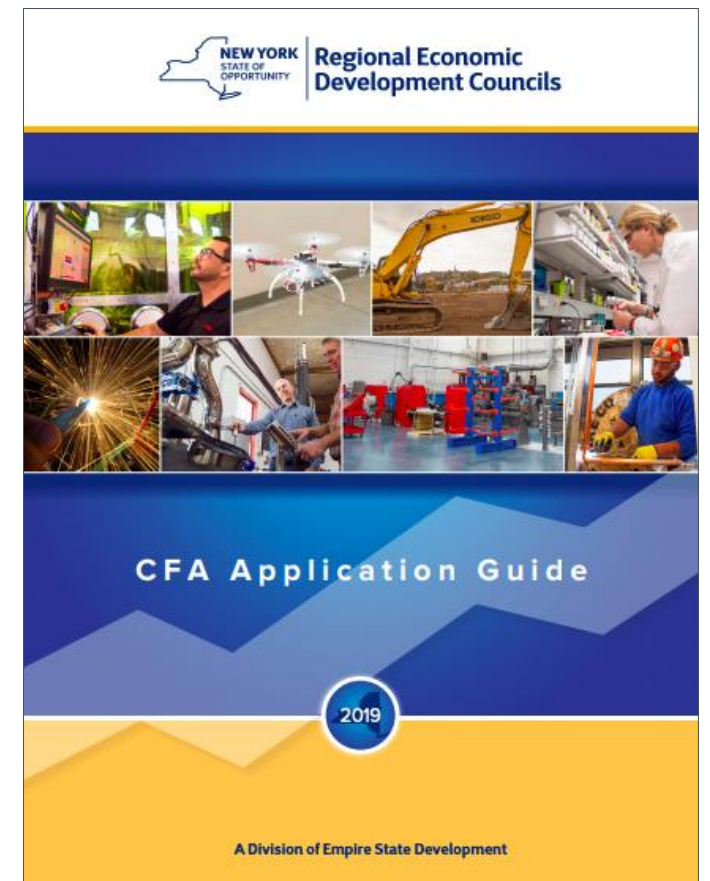
- \$15 Million - Green Innovation Grant Program

Homes and Community Renewal (DHCR)

- \$20 Million – Community Development Block Grant

Empire State Development (ESD)

- \$1 Million – Environmental Investment Fund

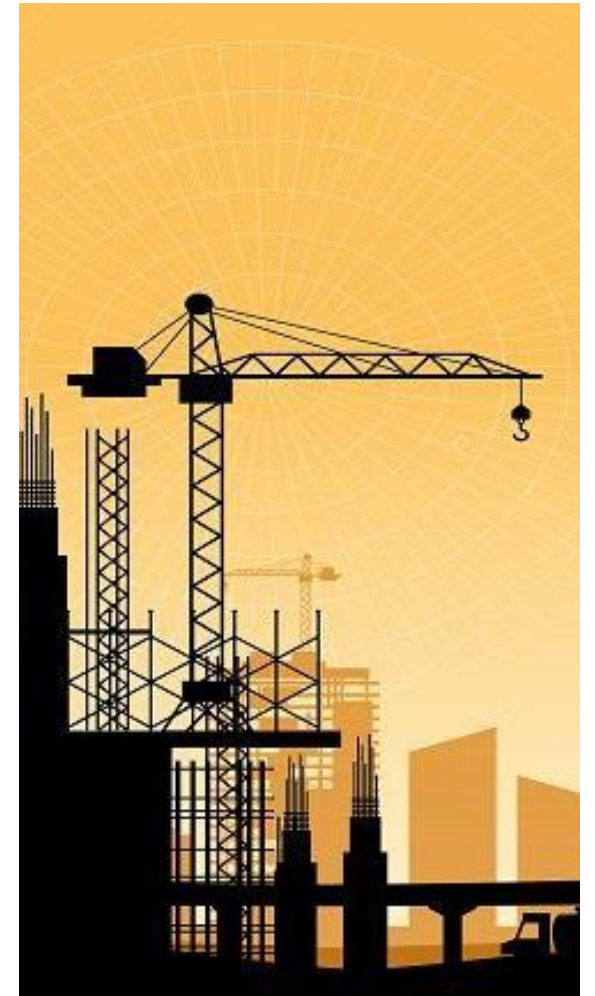


EMPIRE STATE DEVELOPMENT (ESD)

- **Capital grant funding** is available for capital-based economic development projects intended to create or retain jobs; prevent, reduce or eliminate unemployment and underemployment; or increase business/economic activity in a community or region.
- **Strategic Planning and Feasibility Studies** up to \$100,000 each to support:
 - 1) Strategic development plans
 - 2) Feasibility studies for site(s) or facility(ies) assessment and planning.
- Apply via: NYS Consolidated Funding Application.

ENVIRONMENTAL FACILITIES CORPORATION (EFC) GREEN INNOVATION GRANT PROGRAM (GIGP)

- Competitive projects:
 - Create and maintain green, wet-weather infrastructure
 - Spur innovation in stormwater management
 - Build capacity to construct and maintain green infrastructure
 - Facilitate the transfer of new technologies and practices
- Requirements/restrictions:
 - No cap, up to 90% funding for eligible costs
 - Engineering report/conceptual site plan and feasibility study
- Apply via: NYS Consolidated Funding Application



EFC WATER INFRASTRUCTURE IMPROVEMENT ACT (WIIA) & NYS INTERMUNICIPAL WATER INFRASTRUCTURE GRANTS (IMG)

\$350 million available for clean and drinking water projects in 2019

- WIIA Clean Water Projects – Lesser of 25% of project costs or \$25 million (max \$5 million annually, allocated over multiple years)
- WIIA Drinking Water Projects – Lesser of 60% of project costs or \$3 million (max \$3 million of combined DWSRF grant and WIIA grants annually)
- IMG Clean Water and Drinking Water Projects – Lesser of 40% of project costs or \$10 million (IMG awardees only eligible for market-rate SRF financing)

CLEAN WATER STATE REVOLVING FUND (CWSRF) & DRINKING WATER STATE REVOLVING FUND (DWSRF)

- Administered directly by state agencies (EFC and DOH)
- Provide low-cost financial assistance for drinking water infrastructure projects:
 - Loans (short or long term, at or below market rate or interest-free)
 - Purchase of Debt or Refinance
 - Guarantees and Insurance
 - Additional Subsidization
- DWSRF Hardship Program: Interest-free financing and grants available to disadvantaged communities who meet eligibility criteria. Max grant award: lesser of \$3 million or 60% of project costs.



INTENDED USE PLAN (IUP) FOR CWSRF/DWSRF

- State required to submit annual IUP containing two lists of funding-eligible projects:
 - Multi-Year List – All projects that have requested EFC financial assistance
 - Annual List – Projects that EFC may provide financial assistance to in the IUP Period
- Getting listed on the IUP
 - Multi-Year List – Simple form, accepted year-round
 - Annual List – Two steps: Engineer's Report/Smart Growth Form, Financing Application



GETTING LISTED ON THE IUP ANNUAL LIST

1. Engineer's Report & Smart Growth Form

- Templated report, including appendices

2. Financing Application

- Application form
- Municipal bond resolution
- Proof of publication
- SEQRA/SERP documentation
- SHPO clearance
- District formation
- Engineering agreement

Engineering Report Outline - Table of Contents

Each engineering report should contain a Table of Contents, including page numbers. The Table of Contents below sets forth the basic outline of information necessary for the development of an engineering report. Please refer to the appropriate page number for details and guidance on each of the sections.

Executive Summary	4
Project Background and History	4
1. Site Information	4
2. Ownership and Service Area	4
3. Existing Facilities and Present Condition	4
4. Definition of the Problem	5
5. Financial Status	5
Alternatives Analysis	5
1. Description	5
2. Cost Estimate	6
3. Non-Monetary Factors	6
Summary and Comparison of Alternatives	6
Recommended Alternative	7
Appendix A: Energy Efficiency Best Practices	8
Appendix B: Examples of Short-Lived Assets	10
Appendix C: Engineering Report Certification	11
Appendix D: Smart Growth Assessment Form	12
Appendix E: Additional Considerations for Specific Technologies and Project Types	13

DEPARTMENT OF ENVIRONMENTAL CONSERVATION (DEC) WATER QUALITY IMPROVEMENT PROGRAM (WQIP)

- Wastewater Treatment Improvements
- Municipal Separate Storm Sewer Systems (MS4's)
- Wastewater Disinfection – 75% Funded
- Combined Sewer Overflow/Sanitary Sewer Overflow (CSO/SSO) – 75% Funded
- New Systems To Address Failing Septic Systems – 75% Funded
- General Wastewater Infrastructure Improvement – 40% Funded

DEC/EFC

WASTEWATER INFRASTRUCTURE ENGINEERING PLANNING GRANT

Requirements:

- 20% Match
- Median HH Income (MHI): \leq \$65,000 Most Regions, \leq \$85,000 Mid-Hudson, NYC, LI
- Preparation of Engineering Report to determine scope of Water Quality Issues

Awards:

- \$30,000 – Municipalities < 50,000 Population
- \$50,000 – Municipalities > 50,000 Population
- \$100,000 – For I/I Projects – Consent Order or SPDES Permit Compliance

OTHER DEC OPPORTUNITIES

Continuous programs (no deadlines):

- Environmental Restoration Program (ERP)
- Technical Assistance Grants
- Brownfield Opportunity Areas (BOA)
- And others...

Annually:

- The Hudson River Estuary
- Environmental Justice Community Grants
- And others...



OFFICE OF COMMUNITY RENEWAL (OCR) COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

Eligibility:

- Most cities, towns, villages with populations < 50,000
- Most counties with populations < 200,000
- 51% low to moderate income in service area
- No match required

Awards:

- \$750K/\$1 million - Municipalities/Co-Funding
- \$900K/\$1.25 mil - Joint Applicants/Co-Funding



OCR

NY MAIN STREET PROGRAM (NYMS)

- Invests in projects that provide economic development and housing opportunities in downtown, mixed-use commercial districts. Awards \$50-\$500K.
- Target Areas:
 - Sustained deterioration/disinvestment,
 - Number of substandard/vacant structures, and
 - >50% residents <90% of MHI
- Traditional NYMS Targets:
 - Building Renovation Projects
 - Downtown Anchor Project
 - Downtown Stabilization Project



DEPARTMENT OF STATE (DOS) LOCAL WATERFRONT REVITALIZATION PROGRAM (LWRP)

- Preparing/implementing regional and local strategies for community and waterfront revitalization
- Redeveloping hamlets, downtowns and urban waterfronts
- Planning/constructing land and water based trails
- Preparing/implementing a watershed management plan
- 50:50 match



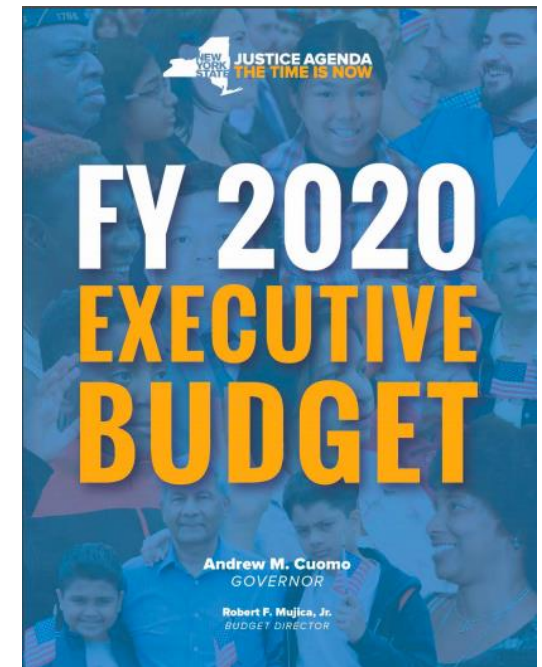
USDA RURAL UTILITIES SERVICE WATER AND WASTEWATER LOAN AND GRANT PROGRAM

- Eligibility Based on Population <10,000
- Three Interest Rate Levels:
 - **Poverty Rate** - MHI of service area is less than \$45,506. Project must be necessary to alleviate a health and sanitary problem.
 - **Intermediate Rate** - Does not qualify for Poverty Rate: MHI between \$45,506 and \$56,882.
 - **Market Rate** - MHI over \$56,882. No grant funds available for Market Rate projects.



GOVERNOR'S 2019-2020 BUDGET FEATURES

- \$2.5B for Clean Water Infrastructure Act (in addition to \$2.5B invested in 2018)
- \$750 million for REDC Round IX (including \$525 for CFA process)
- \$300 million for Environmental Protection Fund (EPF)
- \$220 million for NY Works Economic Development Fund
- \$110 million for a new round of SUNY2020/CUNY2020
- \$110 million for Parks 2020
- \$100 million for Downtown Revitalization Initiative Round IV



DOWNTOWN REVITALIZATION INITIATIVE, ROUND IV

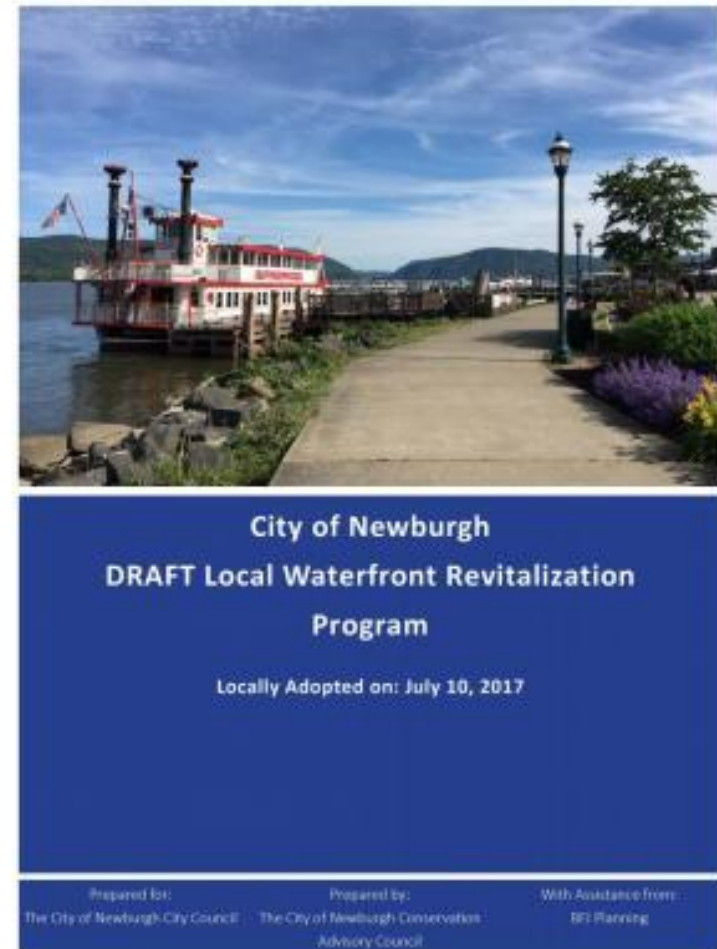
- FY 2020 Executive Budget provides \$100 million for a fourth round of the DRI
- Supports transformative housing, economic development, transportation, and community projects to attract and retain residents, visitors, and businesses to downtowns.
- Participating communities are nominated by the 10 REDCs based on the downtown's potential for transformation. Through three rounds of awards, each winning community is awarded \$10 million to develop a downtown strategic investment plan.



BEST PRACTICES FOR SUCCESS

LINK TO A PLAN

- Capital Improvement Plan
- Comprehensive Plan
- Transportation Corridor Plan
- Brownfield Opportunity Area (BOA) Plan
- Waterfront Plan
- Annual Municipal Goals



FIND A PARTNER

- Adjacent Communities
- Chamber of Commerce
- Regional Entities/Authorities
- Private Individuals
- Elected Representatives
- Metropolitan Planning Organization (MPO)
- Regional Planning Board
- Industrial Development Agency (IDA)
- Informal Coalitions
- Local/Regional EDC

SOLICIT AND DEMONSTRATE COMMUNITY SUPPORT

- Identified in Community Plan
- Public Hearing
- Letters of Support
 - Chamber of Commerce
 - Local EDC
 - NYS Senator/Assemblyperson



BUILD ON PRIOR SUPPORT

- Identify the component of the project that aligns with local, regional, or state plans or programs
- Package projects strategically
- Identify projects that are ready & have quick implementation schedule
- Build on other successful efforts



PROJECT READINESS

- Gather your team
- Prepare a list of projects
- Develop a order of magnitude costs
- Develop a scope
- Get on the Multi-Year SRF list
- Begin planning & due diligence



PROJECT READINESS – CONT.

- Gather supporting information
 - Engineering reports
 - SHPO and SEQR review
 - Resolutions
 - Project cost estimates
- Determine availability of matching funds/in-kind services
 - Direct cash vs. provision of labor, equipment, services
- Confirm project's consistency with local and regional plans
- Evaluate your ability to manage/administer grant resources



COMPLETING SUCCESSFUL APPLICATIONS

- Begin preparing early
 - Writing an application for a well-planned project is much easier than seeking funding for a project with incomplete planning
- Attend informational workshops
- Follow application instructions closely
- Construct narratives based on evaluation criteria and local, regional, and state goals
 - Identify the 5 Ws



COMPLETING SUCCESSFUL APPLICATIONS – CONT.

- Build local/regional/statewide support
 - Partnerships
 - Inter-municipal projects
 - Letters of support
- Leverage resources
 - Success of previously funded projects
 - Multiple grant/funding sources



IF YOUR PROJECT DOESN'T GET FUNDED

- Seek feedback from funding agency
- Consider phasing the project
- Pursue additional funding sources
- Try again!





CASE STUDY:
HYDE PARK DOWNTOWN INFRASTRUCTURE PROJECT

Planning

Sidewalks

Sewer



**HYDE PARK
DOWNTOWN
INITIATIVE**

Creative Leveraging of Funding

Planning/Design	<ul style="list-style-type: none">• NYS DOT, Federal MPO• NYS Greenway• NYSERDA Cleaner, Greener Communities• Dutchess County
Sidewalks	<ul style="list-style-type: none">• NYSDOT Transportation Alternatives Program• NYSDOT Multi-Modal• NYS State & Municipal Facilities• Federal Community Development Block Grant
Sewer	<ul style="list-style-type: none">• Dutchess County Partnership for Manageable Growth• Bellefield contribution through agreement• District Ratepayers

Through careful management, the Town of Hyde Park has built a AA bond rating.



Town Government
has successfully **built
momentum**

Planning

Sidewalk
Construction

Initial Sewer
Funding
Commitments

Public
Support

Sewer
Design

Complete
Feb. 2018

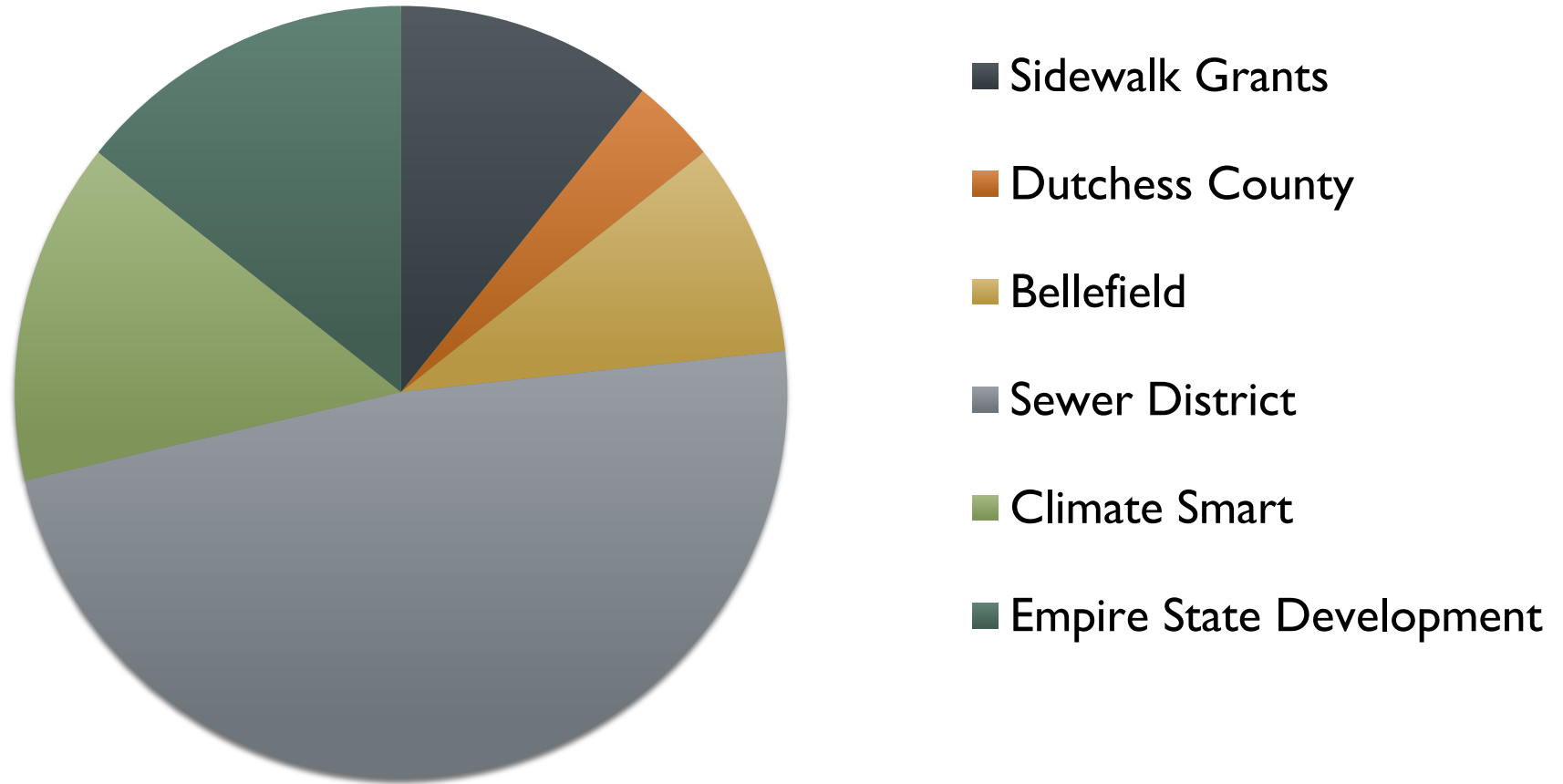
Finalize
Funding

District
Vote

Pivotal Point

Build
Sewer

DOWNTOWN INFRASTRUCTURE PROJECT – FUNDING NEEDED



QUESTIONS?



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choice
words