

What are Stormwater BMP

Loans?

The Stormwater BMP Loans are a new source of low-cost financing for long term / voluntary practices that manage storm water quality . This opportunity is available specifically to assist

and encourage developers and cities to address non-point source pollution of Iowa streams and lakes through



implementing stormwater quality BMPs that are included in the Iowa Stormwater Management Manual at www.ctre.iastate.edu/pubs/stormwater/index.cfm

The Stormwater BMP Loans:

- 1. Are ready when you are. Applications are accepted at any time during the year, and turn around time is quick.*
- 2. Require no cash up front. Quick loan processing and friendly loan repayment terms let you get your project done now.*
- 3. Give you significant cost savings. Interest rates are well below other financing sources.*
- 4. Complement other funding sources. If you have a grant or other funding, you can use a loan to provide your share of the project.*

Who Can Get a Loan?

Loans can be made to developers, cities, businesses and homeowners. The applicant must designate and have a commitment from the entity responsible for the long term maintenance of the stormwater quality BMPs.

The Iowa Water Quality Loan Fund is the non-point source fund of the Clean Water State Revolving Fund (CWSRF). Under an agreement with the U.S. Environmental Protection Agency, the Iowa Department of Natural Resources administers the CWSRF in partnership with the Iowa Finance Authority.

The Stormwater BMP loans are part of the Iowa Water Quality Loan Fund, which offers three other financing programs to help Iowans address non-point source water quality problems.

Livestock Water Quality Facilities Program

*Iowa Agricultural Development Authority
(jeff.ward@iada.state.ia.us)
(515) 281-6444*

Onsite Wastewater Systems Assistance Program

*Iowa Department of Natural Resources
(daniel.olson@dnr.state.ia.us)
(515) 725-0346*

Local Water Protection Program

*Iowa Department of Ag and Land Stewardship
(tony.toigo@idals.state.ia.us)
(515) 281-6148*

IOWA
WATER QUALITY
LOAN FUND

Stormwater Best Management Practices (BMP) Loans



*Low-Interest Loans
for Developers, Landowners,
Watershed organizations, Non-MS4
Cities, & others.*

*If you have a project, we
have a loan for you!*

What Water Quality Issues Can you Address on Your Land?

Iowa's largest contributor to water quality problems is polluted runoff. There are hundreds of sources of polluted runoff. The Stormwater BMP loans will target urban and suburban areas by offering incentives for installing infiltration-based stormwater quality practices on the land.

What Practices Can Be Funded?

The Iowa Stormwater Management Manual identifies Stormwater BMP's in Chapter 2.

Practices Identified in Chapter 2 D-L will be eligible. These include:

- Infiltration practices, soil quality restoration, native landscaping.
- Detention basins.
- Pond / wetland system.
- Grassed waterways.
- Pervious concrete or asphalt, modular paving systems.



What are the Loan Terms?

- Loans from \$5,000.
- Terms up to 20 years.
- Can fund up to 100% of BMP costs.
- Interest rate capped at 3% - fixed rate.
- Funding is available when you need it.
- Applications are accepted year-round.
- No penalty for pre-payment.
- Linked deposit loan structure through participating lenders.

How to Apply

- The application process is coordinated through local Soil and Water Conservation District (SWCD) offices. If your project is eligible, complete the application form.
- A licensed engineer must sign the application confirming: 1) The project is designed according to the Iowa Stormwater Management Manual and 2) Only those practices directly related to the water quality improvements are listed in the cost estimate.

Submit the application to the local SWCD.

- The SWCD will review the application for completeness. If approved by the SWCD, take a copy to your local lender and apply for a loan. Lenders can contact Lori Beary with the Iowa Finance Authority at (800) 432-7230 for more information.
- If approved, you and the local SWCD will receive written notice and construction can begin. Keep all records of costs and invoices.

- Once the project is complete, the engineer, contractor and SWCD will inspect the practice and verify the actual expenses.
- IFA will make a deposit with your lender based on the actual costs. The loan is repaid according to the loan terms established by the lender.

What is a linked deposit loan?

Under a linked deposit loan approach, the Iowa Finance Authority (IFA) works with local private lending institutions to provide assistance for water quality practices. The IFA agrees to accept a 0% rate of return on an investment (e.g., a certificate of deposit) and the lending institution agrees to provide a loan to eligible borrowers at 3% or less. **It's up to your Soil and Water Conservation District to approve your project, and it's up to your lender to qualify you for financing.**

For more information on the Stormwater BMPs . . .

visit

www.ctre.iastate.edu/pubs/stormwater/index.cfm

Or contact

Tony Toigo - *Iowa Department of Agriculture and Land Stewardship*

(515) 281-6148

tony.toigo@idals.state.ia.us

