

Funding Navigator

Too many communities have not benefited from federal funds for water infrastructure

The recent \$55 billion for water infrastructure in the bipartisan infrastructure law has the potential to deliver substantial environmental, economic, and public health benefits. We have a generational opportunity to enhance equity and resilience with this infrastructure investment. We can do this by allocating funding to historically underserved or overburdened communities.¹

Central to meeting this challenge is to build utilities' capacity to apply for federal funds for projects that address community priorities. The State Revolving Funds (SRFs), which are the largest federal programs that finance water infrastructure, have not been equitably distributed. Less than 25 percent of SRF funds have reached socially and economically divested communities, which historically have the most pressing infrastructure problems, over the last decade.

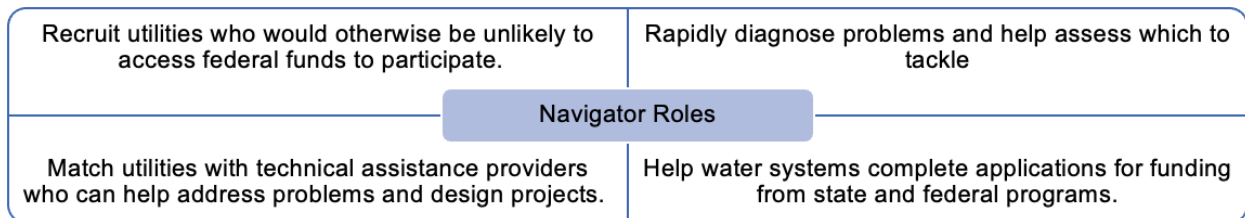
Utilities must overcome numerous barriers to access federal funds to finance water infrastructure. As shown in the figure below, utilities must assess needs, develop capital plans, find programs to finance projects, and apply for funds to finance projects. Applications to the SRFs (where federal funds are distributed by states) require engineering designs and environmental assessments that are complicated and costly to complete: estimates suggest the average cost just to apply is \$17,000. Utilities that serve overburdened communities often lack the technical and financial capacity to apply for and equitably manage these funds. Thousands never take the first steps towards applying for funding.



¹ The EPA defines an overburdened community “as minority, low-income, tribal, or indigenous populations or geographic locations in the United States that potentially experience disproportionate environmental harms and risks. The term describes situations where multiple factors, including both environmental and socio-economic stressors, may act cumulatively to affect health and the environment and contribute to persistent environmental health disparities.” See also: <https://iejusa.org/glossary-and-appendix/> (has definitions of frontline communities and marginalized populations); Also the definition from the EJ Accountability Act (<https://www.govinfo.gov/content/pkg/BILLS-116s4513is/html/BILLS-116s4513is.htm>) and some CA and Western orgs are using "priority community", see: <https://www.nwaf.org/approach/priority-communities/> and <https://abag.ca.gov/our-work/equity-priority-communities#:~:text=Formerly%20called%20%E2%80%9CCommunities%20of%20Concern,incomes%20and%20people%20of%20color.>

The Funding Navigator will help

EPIC and our partners are building a Funding Navigator—essentially a team of experts—to help utilities that serve overburdened communities seek and secure SRFs and other funds. The goal is to ensure more communities benefit from critical investments in safe and climate-resilient drinking water, wastewater treatment, and stormwater management. Working in close partnership with other nonprofit organizations, community-based organizations and for-profit businesses, the Navigator team will use their expertise in community engagement, funding and finance, and technical assistance to recruit utilities, diagnose problems, match utilities with technical assistance providers, and help complete applications.



Delivering climate resilience, water affordability, and public health outcomes

EPIC has a clear mission and source of funding. The team currently has ten policy and regional professionals on staff and we plan to recruit more team members locally. EPIC plans to prioritize communities that need the most assistance and help them secure federal and state funds for water infrastructure. We will focus on three critical outcomes:

- Collaborate with state program administrators, water utility managers and operators, and grassroots and environmental justice groups to build and execute a community-centered technical assistance.
- Provide seed money for subcontracts with consultants, engineering firms, and nonprofits to help utilities and communities diagnose problems and develop projects. This support is meant to provide 20-40 hours of assistance for each utility to plan, complete designs, and seek pre-development funds from states and philanthropists.
- Ensure the projects that are designed and funded represent and reflect community needs. We will provide grants to community partners to build capacity to engage in water infrastructure project planning.