New Mexico Environment Department

Local Government Infrastructure Summit

January 21, 2022
Funding opportunities

Brownfield Clean-up Revolving Loan Fund

NMED offers low-interest loans with favorable terms that can be used for remediating contamination at an eligible brownfield site. The funds may also be used for asbestos removal or abatement. The availability of cleanup funding can leverage the other funding needed – on average, $17 for every dollar of brownfields funding.

Contact us to discuss the eligibility of your project and the application process.

Clean Water State Revolving Fund

Funding is available for Planning Loans, Design Loans and Construction Loans. Loan subsidy may be available to disadvantaged borrowers or to borrowers that incorporate sustainability features into projects. Loan terms may be up to 30 years with repayment beginning one year after project completion.

Clean Water State Revolving Fund applications are accepted year-round.

Eligible Borrowers

- Municipalities
- Counties
- Water and Sanitation Districts
- Mutual Domestic Water Associations
Topics for Discussion

1. American Rescue Plan Act (ARPA)
   A. River Stewardship Program

2. Bipartisan Infrastructure Law
   A. Hydrogen
   B. Water Infrastructure
   C. Superfund
   D. Other funds administered by U.S. Environmental Protection Agency
River Stewardship Program

Funding: December 2021 Special Session: $10 million appropriation to NMED for the River Stewardship Program to be expended FY22-FY25.

Scope: Fund projects that improve surface water quality, river habitat within a waterway, or other such activities.

General Requirements: Annual competitive process ranked by an evaluation committee while adhering to state procurement rules for RFPs; no local match required.

Eligible applicants: towns, cities, counties, soil and water conservation districts, irrigation districts, for-profit organizations, Indian Nations, Pueblos and Tribes.
River Stewardship Program
Two Rivers Park Restoration in Ruidoso, NM

- Village of Ruidoso, Rio Ruidoso
- Funding: $235,000
- Restored 0.5 river-miles
- Reduce sedimentation caused by erosion, increase shade along banks, and increase the diversity of pools, runs and riffles
- Vegetation planting, managed public access to let plants grow, increase stream depth by creating pools with rock structures, armor eroding banks with rocks, and remove non-native plants.
Hydrogen

- U.S. DOE: $8 billion available in new federal funding for hydrogen development hubs.

- Four clean hydrogen “hubs”— projects that develop infrastructure including production storage, transportation and consumption of hydrogen.

- Four different regions of the U.S. and no more than two hubs can produce hydrogen using the same feedstock (i.e., fossil fuel, renewable and nuclear).

- State-wide tax incentives apply to:
  - Construction of hydrogen facilities and electric generation; Hydrogen production; Hydrogen distribution; Hydrogen uses; Hydrogen refueling stations

- How are the incentives structured?
  - Income tax credits based on construction and equipment costs; GRT deductions based on business receipts
Hydrogen

A low carbon fuel for decarbonizing manufacturing, electricity, & transportation sectors.
Water Infrastructure


• NMED administration
  • Clean Water State Revolving Loan Fund (CWSRF)
  • CWSRF Emerging Contaminants

• New Mexico Finance Authority administration
  • Drinking Water State Revolving Loan Fund (DWSRF)
  • DWSRF Lead Service Line Replacement
  • DWSRF Emerging Contaminants
Water Infrastructure

Funding in 2022: $63 million

- **DWSRF Lead Service Line Replacement**: $28,275,000, 45%
- **DWSRF Emerging Contaminants**: $17,955,000, 28%
- **CWSRF**: $7,540,000, 12%
- **CWSRF Emerging Contaminants**: $8,809,000, 14%
- **Funding in 2022**: $63 million

**Additional Notes**:
- DWSRF
- CWSRF
Water Infrastructure: Drinking Water SRF Basics

• NMED is lead on project review, prioritization; NMFA administers loans
• Projects: Protect drinking water quality or public health
  • New eligibilities include repairs or minor upgrades of dams & reservoirs and some water rights purchases.
• Offers loans of up to 30 years at fixed, below-market interest rates
  • Disadvantaged public entities: 0% for the first $1 Million
  • Community water systems: 1%
  • Non-profit water systems: 3%
• Subsidy amounts range from 25% for publicly-owned water systems and up to 75% of the project cost for qualifying severely disadvantaged systems.
• Principal forgiveness subsidy may also be available to reduce the cost of projects.
• Forms, tools and staff contacts...
Water Infrastructure: Clean Water SRF Basics

• NMED is lead on project review, prioritization and loan administration
• Eligibilities include wastewater treatment, sewer lines, storm water projects, energy and water efficiency associated with wastewater, landfills, and many others with water quality protection components
• 0-1% for public entities, 2.375% for private borrowers
• Grant–Loan combination funding available for public entities
• Private borrowers can only access loans
• Application open at all time and funding is awarded year-round
• Application, Forms, tools and staff contacts at [https://www.env.nm.gov/funding-opportunities/](https://www.env.nm.gov/funding-opportunities/)
Bipartisan Infrastructure Law: Other Funds

Nationally, EPA will make the following investments:

• Brownfields Revitalization grants (non-competitive, $1.5 billion)

• Assistance for small and disadvantaged communities to address emerging contaminants (formula, $5 billion)

• EPA announced 49 superfund sites nationally for cleanup funding, including two in New Mexico
  • Eagle Picher Superfund Site, Socorro (Listed in 2007; groundwater contamination from battery manufacturer)
  • McGaffey and Main Superfund Site, Roswell (Listed in 2001; groundwater contamination from chlorinated solvents)

• Pollution Prevention and Environmental Justice grants (competitive, $100 million)

• Solid Waste and Recycling Grants ($350 million) and Battery Recycling ($25 million)

• Decarbonizing the nation’s school bus fleet ($5 billion)