



Minnesota  
Pollution  
Control  
Agency

## Contents

Introduction .....	1
Clean Water Partnership grant program.....	1
Clean Water Partnership loan program.....	2
Clean Water Act section 319 non-point source grants .....	2
Future directions, conclusions .....	2
More information .....	2

# MPCA financial assistance programs addressing non-point source water pollution

Planning/Financial Assistance #2.40 July 2007

## Introduction

The Minnesota Pollution Control Agency (MPCA) administers three important financial assistance programs for watershed management of non-point source water pollution: the Clean Water Partnership (CWP) grant and loan programs, and the Federal Clean Water Act Section 319 program. Combined, these programs have provided over \$98 million in grants and loans to local units of government and other resource managers for the protection and restoration of waters in Minnesota in the past 18 years.

Typically, the amount of money requested from these programs far exceeds the amount available. In the 2007 funding cycle, the MPCA received over \$15 million in funding requests, but had only about \$8 million to award.

The MPCA administers all three programs with the assistance of a project coordination team comprised of staff from state, federal and local resource agencies.

## Clean Water Partnership grant program

The CWP grant program was created in 1987 to address pollution associated with runoff from agricultural and urban areas. The program provides local governments with resources to protect and improve lakes, streams and ground water. CWP projects begin with a desire by a local unit of government to improve a water resource that has been polluted by land-use-related activities or to protect unpolluted water from pollution. Local leadership and expertise, combined with technical and

financial resources from the state, create an effective program for controlling pollution and restoring water quality.

CWP funding for local water-quality projects is awarded in two phases:

1. In the first phase of a project, the resource investigation phase, a diagnostic study and implementation plan are completed to determine the sources of pollution to the water body and to develop a plan for addressing them.
2. The second phase, the project implementation phase, involves putting in place the best management practices (BMPs) identified in the first phase. BMPs may include sedimentation ponds, animal-waste management, education or other methods designed to reduce non-point source pollution.

Grants are available for up to 50 percent of project costs. The grantee must come up with the money to cover the other 50 percent of project costs. In the 2007 funding cycle, the program had about \$2.3 million annually to grant to local units of government. Through 19 application cycles, 84 Phase I diagnostic studies and 57 Phase II implementation projects have been funded.

## **Clean Water Partnership loan program**

The CWP loan program focuses on implementing BMPs that are targeted toward the restoration of specific water resources, such as lakes, streams or groundwater aquifers. CWP implementation activities include upgrading or replacing individual sewage-treatment systems (ISTSS) and fostering beneficial agricultural practices.

The local unit of government can use the funds to implement BMPs itself or it can re-lend the funds to private parties for other types of BMP activities. Loans have a 2 percent interest rate with an average term of 10 years. In 2007, over \$3 million in loan funding was provided to eligible implementation projects.

## **Clean Water Act Section 319 non-point source grants**

The Section 319 grant program offers funds for non-point source water pollution control implementation projects. The goal of this grant program is to protect and improve the quality of Minnesota's water resources by implementing non-point source pollution control measures that have been identified in the state Non-point Source Management Program Plan. The U.S. Environmental Protection Agency (EPA) provides the grant funds for the program.

During the 2007 funding cycle, over \$2 million was available for funding non-point source projects through this program. Through 18 funding cycles, the MPCA has awarded over \$37 million in Section 319 funds to 415 non-point source projects. Congress determines funding levels annually and the EPA allocates funds to states and tribes based on an allocation formula. Most projects are required to provide at least 50 percent of the total project cost as non-federal matching funds.

Projects eligible to compete for available funds are those that address a non-point source pollution issue and offer a means of moving toward resolution of the problem. Planning and program development or diagnostic studies are not eligible. Projects addressing feedlot or stormwater permit requirements are also not eligible for Section 319 funds.

## **Future directions, conclusion**

Since 2000, all three of these programs' funding rounds were administered concurrently. Benefits of this integration include allowing the project coordination team and agency staff to view all applicants at one time to better match the most beneficial projects with funding source; realization of administrative efficiencies for applicants, the project coordination team and agency staff; and a shorter lag time between the application and award of Section 319 grant funds.

## **For more information**

For more information about the Clean Water Partnership and Section 319 programs, contact:

Juline Holleran at:  
651-296-7701 or e-mail:  
[juline.holleran@pca.state.mn.us](mailto:juline.holleran@pca.state.mn.us)