

Considering Equity in Virginia's Stormwater Local Assistance Fund

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SLAF Project History Data Analysis

Objective: Evaluate the historic distribution of the Stormwater Local Assistance Fund (SLAF) and determine whether vulnerable communities are receiving equitable levels of funding based upon regulatory burden

Goal: Identify recommendations to ensure the fund is supporting vulnerable communities.

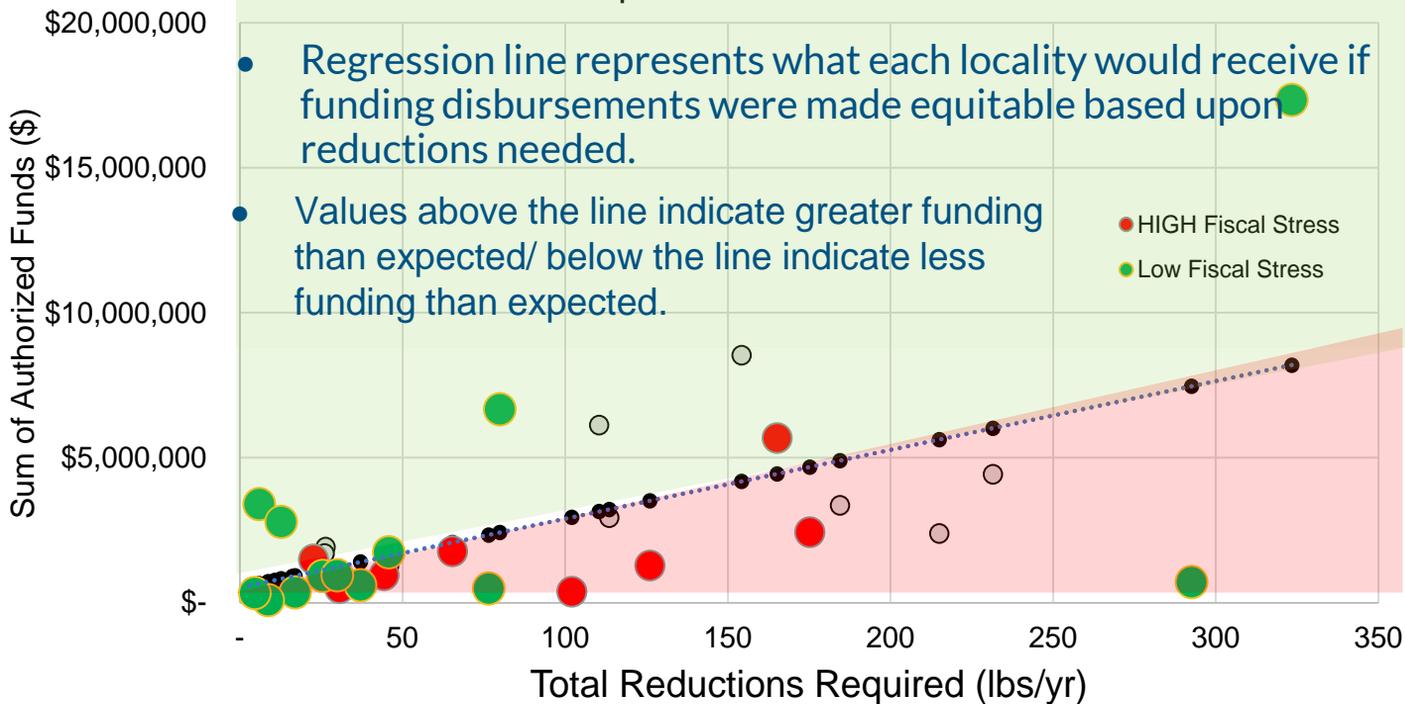


Our Approach

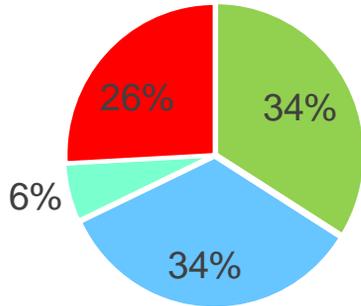
1. Gather the following data sets by locality [thank you DEQ!] **(Non-MS4s excluded from this analysis)**
 - SLAF dollars received to date by locality (DEQ)
 - Phosphorous reductions required by MS4 permits (DEQ)
 - Fiscal Stress evaluation (Commission on Local Government, Comparative Revenue Capacity)
2. Compare historic SLAF funding to a hypothetical scenario in which funding is equitably distributed base upon permit requirements .
3. Consider whether high stress communities are achieving proportionally equitable relief of regulatory burden through SLAF.



Reductions Required vs. Authorized Funds

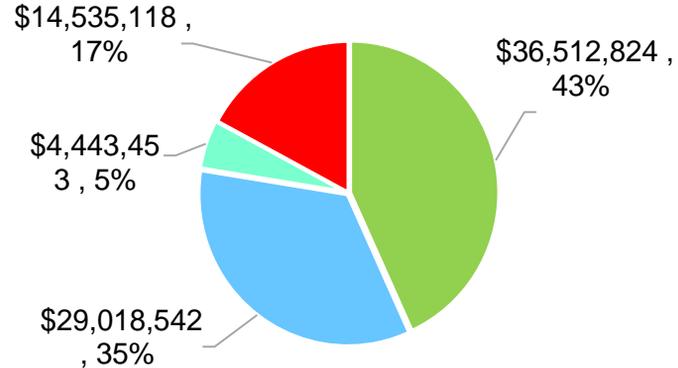


Work to do (MS4 Permits) by Fiscal Stress



■ Low ■ Below Average ■ Above Average ■ High

SLAF Funds Received by fiscal stress

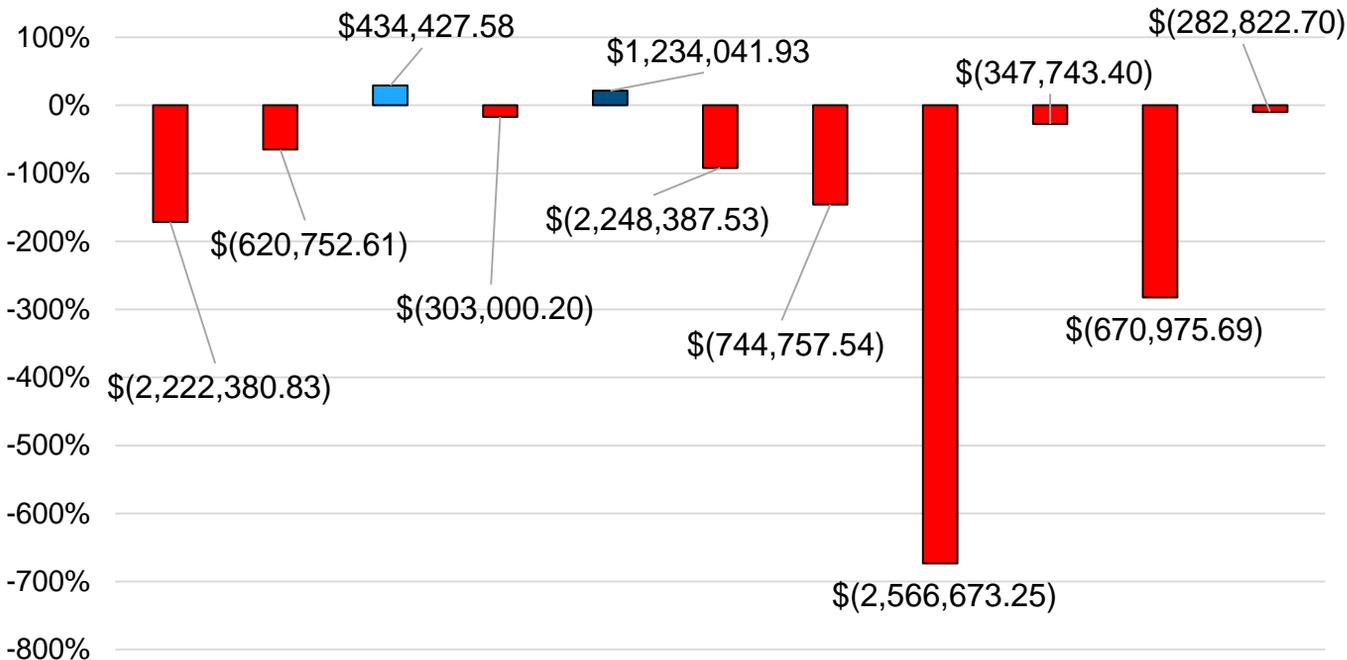


■ Low ■ Below Average ■ Above Average ■ High

- 43% of funds are distributed to **Low stress** localities, even though they only have 34% of the work to do; **High stress** communities receive only 17% of the funds despite having 26% of the work.
- For every pound of required reduction, **Low stress** communities have received \$38K lb P⁻¹ whereas **High-stress** communities have received \$20K lb P⁻¹



Fiscally stressed communities against the curve



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Labels indicated how much less they received than if funding was simply based upon permit requirements

Summary of Results

- The Highest fiscal stress communities are receiving fewer SLAF dollars per pollution reduction requirements than the most affluent communities.
- As a result, low fiscal stress communities have received \$7 M in funding beyond their “equitable regulatory burden basis”, where as high fiscal stress communities have received \$7M less than their equitable regulatory burden basis.
- This fund is operating opposite from the WQIF-WWTP funding which prioritizes low income communities.



- 2021 Senate Bill 1404 Stormwater Local Assistance Fund; grants awarded for projects related to Chesapeake Bay.
- [Lynwood W. Lewis, Jr.](#) |
- **Stormwater Local Assistance Fund; grant requirements.** Authorizes grants from the Stormwater Local Assistance Fund awarded for projects related to Chesapeake Bay total maximum daily load (TMDL) requirements to take into account **total phosphorus reductions or total nitrogen** reductions. The bill authorizes grants awarded for eligible projects in localities **with high or above average fiscal stress** as reported by the Commission on Local Government to account for **more than 50 percent of the costs of a project.**
- ***Passed without a single no vote!***



- This proposal is based on the same method the agency currently utilizes to address fiscal stress for wastewater, which has been highly successful.
- This will not reduce match for communities that are not fiscally stressed.
- These changes maintain prioritization of cost-effectiveness, this would simply alter the balance of state and locality financing.
- **Next steps:** DEQ will address guidance document through a stakeholder group to work out details. Questions to be addressed include:
 - How will this be implemented?
 - How DEQ they determine who falls in the Fiscal stress category?
 - What will be the max coverage by SLAF?
 - Nitrogen prioritization will also be addressed



We remain interested in initiatives that will help bring fiscally stressed communities to the table.

Questions?

Suggestions?



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More Work to do: