



FEDERAL & STATE FINANCIAL ASSISTANCE FOR DROUGHT

Federal Drought Mitigation Funding Sources Available

USBR Drought Financial Assistance	Link
<p>Emergency Response Actions - Reclamation will continue to undertake emergency response actions under the Drought Response Program to minimize losses and damages resulting from drought, relying on the authorities in Title I of the Drought Act.</p>	<p>https://www.usbr.gov/drought/emergency.html</p>
<p>Drought Resiliency Projects - Reclamation will fund drought resiliency projects that will help communities prepare for and respond to drought. Typically, these types of projects are referred to as "mitigation actions" in a drought contingency plan.</p>	<p>https://www.usbr.gov/drought/projects.html</p>
<p>Drought Contingency Planning – Bureau of Reclamation will provide financial assistance on a competitive basis for applicants to develop a drought contingency plan or to update an existing plan to meet the required elements described in the Drought Response Framework.</p>	<p>https://www.usbr.gov/drought/planning.html</p>
<p>WaterSMART Water and Energy Efficiency Grant Program - Through WaterSMART Water and Energy Efficiency Grants (formerly Challenge Grants) Reclamation provides 50/50 cost share funding to irrigation and water districts, tribes, states and other entities with water or power delivery authority. Projects conserve and use water more efficiently; increase the production of hydropower; mitigate conflict risk in areas at a high risk of future water conflict; and accomplish other benefits that contribute to water supply reliability in the western United States.</p>	<p>https://www.usbr.gov/watersmart/weeg/index.html</p>



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Local and State Drought Mitigation Funding Sources Available in Colorado

Program	Grant/Loan Funds Available	Uses/Requirements	Agency
SHORT TERM RESPONSE			
Water Pollution Control Revolving Fund (WPCRF)	-Fire-related nonpoint source projects can be given priority status -Direct loans up to \$3,000,000 available with Board approval -\$10K planning grants available for disadvantaged communities (fire-related O.K.)	Low-interest loans for public waste water treatment system needs and watershed nonpoint source control projects -Available to governmental agencies -Emergency projects can be identified at any time throughout the year with WQCC approval. -Loan funds require board review.	Colorado Water Quality Control Division, Division of Local Government, Water Resources and Power Development Authority
Natural Disaster Grant	Grants can be awarded to counties in which the governor has declared a disaster emergency by executive order or proclamation order Section 24-33.5-704 C.R. S	Limited to local governments defined as governmental agencies. Repair water and wastewater infrastructure impacted by natural disaster. For planning, design, construction, improvement, renovations and/or reconstruction	CDPHE
Agricultural Emergency Drought Response Fund	\$1 million fund for loans and grants. Limited to fund availability.	-For emergency drought-related water augmentation purposes -Limited to agricultural organizations	CWCB Taryn Finnessey taryn.finnessey@state.co.us
Flood and Drought Response Fund	Up to \$500,000	Flood and drought preparedness and for response and recovery studies, project design, education and communication following flood or drought events and disasters	CWCB Kevin Houck (Flood) kevin.houck@state.co.us Taryn Finnessey (Drought) taryn.finnessey@state.co.us
Drinking Water Revolving Fund (DWRF)	-Fire-related nonpoint source projects can be given priority status -Direct loans up to \$3,000,000 available with Board approval	Low-interest loans for drinking water treatment system needs -Available to governmental agencies, and private non-profit drinking water systems	Colorado Water Quality Control Division, Division of Local Government, Water Resources and



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	- \$10K planning grants available for disadvantaged communities (including fire-related)	- Emergency projects can be identified at any time throughout the year - Loan funds require board review, planning grants available immediately	Power Development Authority
Nonpoint Source Pollution Grants	Typical awards range from \$30K to \$150K	- Applicants can include governmental and non-governmental organizations - Applicants generally evaluated through a stakeholder process, but this can be waived - 40% non-federal match required	Colorado Water Quality Control Division
CWCB Water Project Loan Program	Loans typically range from \$100,000 to \$10,000,000	Raw water projects (e.g., dams, pipelines, ditches, wells, new projects or rehabilitation).	CWCB Kirk Russell kirk.russell@state.co.us
Community Development Block Grant (CDBG)	\$500,000 (guideline)	Public facilities including water and wastewater	DOLA field staff
CWCB Water Conservation & Drought Mitigation Planning Grant Program	No limit, as long as funding is available	Water Conservation Planning; Drought Mitigation Planning. To aid in achieving goals in Water Conservation Plans To promote the benefits of water resource conservation for education and outreach aimed at demonstrating the benefits of water efficiency	CWCB Ben Wade ben.wade@state.co.us
Watershed Restoration Grants	\$500,000 (fiscal year beginning July 1, 2012)	Watershed/stream restoration and flood mitigation projects. These grants were utilized in response to the 2012 High Park and Waldo Canyon Fires	CWCB Chris Sturm chris.sturm@state.co.us
Energy & Mineral Impact Assistance Fund	Tier I grants of up to \$200,000; Tier II grants, of up to \$1,000,000.	Public facilities including water and wastewater	DOLA Field Staff
Colorado Water Resources and Power Development Authority Revenue Bonds Program	Maximum loan amount - \$500,000,000 (\$300,000 minimum)	Water and wastewater: Resolution No. 98-12 authorized Bonds of the Authority to be designated as "Water Resources Revenue Bonds," for funding for water related projects that do not qualify for funding from the DWRF and WPCRF programs	CWRPDA



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Water2025 Challenge Grant Program for Western States	Up to \$250,000	Projects that can be completed within 24 months and that reduce conflicts through water conservation, efficiency, and markets	USBR
Water Conservation Field Services Program	Up to \$25,000	Funds projects that improve water use efficiency and improve water management practices	USBR
U.S. Economic Development Administration Grant (EDA)	No limit (subject to federal appropriation)	Water and wastewater	EDA
General Matching Grants Program	Varies	Funds projects that promote fish and wildlife conservation as well as conservation of their habitats	FWS
Hydrologic Research Grants	Up to \$125,000	To conduct joint research and development on pressing surface water hydrology issues common to national, regional, local operational offices. Eligible applicants are federally recognized agencies of state or local governments, quasi-public institutions such as water supply or power companies, hydrologic consultants and companies involved in using and developing hydrologic forecasts.	NOAA
Natural Resources Conservation Service – Emergency Watershed Protection Program	-Funding available through the Simplified Acquisition Procedures (SAP) ranges from \$25K to \$100K -Funded through contracts between project sponsors and the NRCS. There are no grants. The NRCS pays 75% of the costs.	Installing/repairing conservation measures to control flooding and prevent soil erosion. Generally, more than one individual should benefit from the project. Public or private landowners or others who have a legal interest or responsibility for the values threatened by the watershed emergency	NRCS –Initial contacts should be made with NRCS county offices when an emergency exists.
Rural Development (U.S. Department Of Agriculture)	Subject to federal appropriation	Water, wastewater & stormwater projects	USDA



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Watershed Processes and Water Resources	\$100,000	Sponsors research that address two areas: (1) understanding fundamental watershed processes; and (2) developing appropriate technology and management practices for improving the effective use of water (consumptive and non-consumptive) and protecting or improving water quality for agriculture and forestry production	USDA
National Research Initiative Standard Research (Part T): Watershed Processes and Water Resources	\$500,000	Innovative research in understanding fundamental processes that affect the quality and quantity of water resources at diverse spatial and temporal scales, ways on improving water resource management in agriculture, forested, and rangeland watersheds, and developing appropriate technology to reach those goals.	USDA
Emergency Community Water Assistance Grants	\$150,000 to \$500,000	Available to rural communities with populations over 10,000 people with a median household income less than \$65,900. Provides assistance to communities who have experienced a decline in quantity or quality of drinking water as a result of an emergency including drought.	USDA
USDA Rural Development 502 Direct Housing Loan Program	-Loans limited by individual county mortgage limits -Most counties have loan limit of \$108,317	Available for wells and water connections – Applicants must be very low income, owner/occupant, unable to obtain conventional credit, and in rural communities and areas	8 USDA Rural Development offices in Colorado
Colorado Rural Water Association (CRWA) Revolving Loan Program	\$100,000 or 75% of the total project (whichever is less)	Provides loans for pre-development costs associated with water and wastewater projects and for existing systems in need of small-scale capital improvements.	USDA Rural Utilities Service

Source: 2007 Drought Plan Update, modified in 2010, 2013 and 2018