



INNOVATIVE FINANCING TO MITIGATE FLOODING AND MANAGE STORMWATER FOR GREAT LAKES MUNICIPALITIES

Great Lakes municipalities are being impacted by more extreme rainfall annually. Flooding, water quality, and stormwater management are critical issues that many municipalities are addressing by implementing Green Infrastructure (GI). Delta Institute is piloting an innovative financing and service delivery approach to support small-to-mid-sized Great Lakes municipalities to implement GI at scale—with the opportunity to transform municipal financing in our home region.

Extreme flooding is on the rise.

Communities across the Great Lakes are dealing with increasing economic, environmental, and social impacts of flooding caused by climate change. Underserved and capacity-limited, small- and mid-sized communities continue bearing the brunt with increased consequences leaving them behind and unable to thrive, further degrading local ecosystems and water quality.

Implementing GI in municipalities with limited stormwater, grant funding options, and tax funding for upgrades is an ongoing challenge and a regional strategy issue. There are many opportunities at the state and federal levels to potentially assist, but due to the fragmented

nature of programs and funding—combined with who bears the burden of response—communities often cannot navigate the many steps to implement or access needed funding.

Innovative and accessible low-cost financing for municipal GI is needed now.

Delta Institute is piloting an innovative new program focused on accessible municipal financing for GI that will shift how communities deal with the impacts of climate change and evolve how investments can reduce flooding by funding and thus increasing GI throughout the entire Great Lakes basin.

With support from the Great Lakes Protection Fund, we are assisting municipalities plan, develop, implement, fund, and maintain GI

projects that solve neighborhood-level flooding issues and provide numerous co-benefits.

Over the next two years, Delta Institute is planning for at least 2 micro-bonds to be issued totaling \$1.5M (more than a 1:1 match for most GI grant requests), enabling the installation of GI projects that will reduce stormwater impacts by 1.5M gallons, and leverage at least 2 grants/loans for additional impact.

Providing Municipalities with low-cost, accessible GI project financing

Our pilot program is designed to provide municipalities with the technical support and funding needed to implement effective and efficient GI projects.

Many GI projects have budget ranges that are below the standard thresholds or feasibility for obtaining long-term financing, such as municipal bonds. State revolving fund loans are often available for these neighborhood-scale projects but require significant up-front project design and development work that small to mid-size municipalities typically do not have the capacity or funding to complete.

Our pilot program addresses this gap in the GI funding landscape by providing both the accessible financing and vital project

management support needed to implement effective and efficient neighborhood-scale GI projects. **Low-cost debt financing** covers the up-front costs for GI project planning and development and provides municipalities with local match funding that can unlock additional grant opportunities.

Delta also is incorporating **vital project management support** during GI installation and post-installation maintenance. Our financial partners will work with municipal staff and decision-makers to build the right financing structure that provides manageable repayment schedules, while Delta Institute provides technical support and assistance to get successful projects in the ground quickly so the community and municipality can begin to benefit from the reduced cost of flooding response and long-term infrastructure development and maintenance.

Delta Institute is grateful to the Great Lakes Protection Fund for their generous support of this pilot project, and our many community partners for joining us.

Learn more at delta-institute.org/project/municipal-gi-financing/

Email us at programs@delta-institute.org

Thank you!



Delta Institute collaborates with communities to solve complex environmental challenges throughout the Midwest.

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