

Residential Septic Alternative Funding Options

Source Title	Funding Agency	Funding Source	Eligible Applicants	Grant, Loan, Combination	Recurring or One-time	Total Amount	Limit Per Applicant	Application Deadline	Comments
Clean Water Financing & Assistance Program	DEQ	On-site local program loan	Municipalities and political subdivisions	Loan	Both	n/a	n/a	July of each year	Loans available to localities and political subdivisions for a local program to loan funds to homeowners for on-site system repair/replacement or connect to POTW
Clean Water Act Section 319 Funding - Nonpoint Source Implementation Grants	DEQ	Federal	Local governments, county health departments, Soil and Water Conservation Districts, Planning District Commissions, non-profit environmental organizations, others	Grant	Both	Around \$1.5 million annually	\$300,000	August of each year	Funding is awarded each year from EPA and made available through a Request for Applications. Local grantees (typically 6-10 each year) then work with homeowners to install or repair septic systems/BMPs. Note that these grants are not exclusive to septic, as they also fund projects that address other pollution sources (agricultural, urban, pet waste, etc.).
Water Quality Improvement Fund	DEQ/DCR	State	Significant dischargers within Ches Bay watershed	Grant	One-time	As appropriated by GA	n/a	n/a	Responses are for WQIF point source funding through DEQ
Indoor Plumbing Rehabilitation	DHCD	Federal/State	8 Sub-Recipients	Forgivable Loans	One-time	Around \$2.3 million annually	\$40,000 - \$120,000		Housing Rehabilitation program benefiting low-to-moderate income owner occupants which have no indoor plumbing, including no potable water or a failed septic system. 8 sub recipients deliver the program statewide.
Community Development Block Grant - Competitive Fund	DHCD	Federal	Localities	Grant	One-time	around \$18 million annually	\$1 million		Grant is a community based application serving Low-to-Moderate Income households to address a community need. Water and wastewater are one potential use. Applicants must be units of local government.
Community Development Block Grant - Construction Ready Fund	DHCD	Federal	Localities	Grant	One-time	\$2,500,000	\$700,000		Grant is a community based application serving Low-to-Moderate Income households with an infrastructure project that is shovel ready. Generally not available on a scattered site basis.
Community Development Block Grant - Regional Infrastructure Fund	DHCD	Federal	Localities	Grant	One-time	\$2,500,000	\$2,500,000		Grant is a regionally based application serving Low-to-Moderate Income households to address a large scale community need. Generally not available on a scattered site basis.
Appalachian Regional Commission	DHCD	Federal	Localities, Non-Profits	Grant	One-time	\$2,300,000	\$500,000		Grant must be tied to Economic Development and job creation OR be serving households in an ARC designated distressed area.
Jessie Ball duPont Fund	Jessie Ball duPont Fund	Private	Churches, schools, cultural organizations	Grants and loans					The Jessie Ball duPont Fund makes grants to organizations designated in her will. Mrs. duPont, a native of Northumberland County, included as grantees many churches, schools and cultural organizations throughout Virginia and Three Rivers Health District. Grant proposals to the Fund must be made by one of the grantees. A list of grantees is available on the website.
Local Government Loans	Local Governments	Local							15.2-958.6 allows for localities to "authorize contracts with property owners to provide loans for the repair of septic systems".
Betterment loans	Private financial institutions	Private	Owners deemed eligible by VDH	Loan	Recurring	no limit	no limit	ongoing	Established in section 32.1-164.1:2 of the Code of Virginia. Purpose to allow owner access to lower rate loans for septic system repairs, by placing the septic repair first in line in case of a default on the home. To date VDH is not aware of any private lenders providing betterment loans.
Southeast Rural Community Assistance Project, Inc. (SERCAP)	SERCAP	Federal and State	Individual and community	Loans and small grants	Recurring		\$15,000		SERCAP's Loan Fund offers affordable Individual Household Well and Septic Loans for low-income homeowners, to help them repair and/or replace their well or septic system. Up to \$11,000 is available for a new well, and up to \$15,000 is available for a septic system. SERCAP also provides small grants through its Essential & Critical Needs program to offset the costs of repairs.
SERCAP Community Development Loans	SERCAP	Federal and State	Local governments	Loan	Recurring		\$250,000		Can be used for water/wastewater treatment facilities, water storage tank repairs, and community development projects.

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USDA Rural Development	USDA	Federal	Homeowners	Loans and grants	Recurring		\$27,500		USDA provides low cost loans and grants to finance drinking water and wastewater disposal systems.
Water & Waste Disposal Loan and Grant Program	USDA	Federal	State and local governments, nonprofits, federally recognized tribes.	Combination	Recurring				Designed for rural areas with less than 10,000 people. Funding for households and businesses in eligible rural areas to construct or improve sewer connections, transmission, treatment, and disposal.
Loan guarantee program	USDA	Federal		other	Recurring				Helps private lenders provide financing to approved borrowers to improve access to waste disposal systems.
Predevelopment Planning Grants	USDA	Federal		grant	Recurring				Helps low income communities initiate the loan/grant and loan guarantee programs.
Onsite Operation and Maintenance Fund	VDH	State	see comments		Recurring	Less than \$10,000	no limit	ongoing	VDH receives a fee of \$1 for all alternative system operation and maintenance reports submitted via the online reporting database. Those funds can be used i) to train operators, and ii) to support the reporting system required by the Code of Virginia.
Onsite Sewage Indemnification Fund	VDH	State	Owners with a septic system that fails within 3 years of installation.		Recurring	Approx. \$400,000	\$30,000	ongoing	VDH collects a fee of \$10 for every onsite sewage system applications. That fee is placed into the indemnification fund. Owners of systems that fail within 3 years of installation, that apply for indemnification within 1 year of failure, and that demonstrate VDH negligence cause the failure can receive up to \$30,000 to repair the system.
VEE Septic Repair Grant Program	VEE	Private	Homeowners	Grant	One-time	\$500,000	\$18,000	n/a	Grant limited to four watersheds in the Lower James. Grant administered by VDH.
Virginia Clean Water Revolving Loan Fund	VRA/State Water Control Board								
Chesapeake Bay Implementation Grant	EPA	Federal	Planning District Commissions and Localities	Grant	on-going	\$50,000	N/a	varies	Line item for pump-out grants have been included to be awarded to applicants.