

WIN MORE UTILITY FUNDING IN WASHINGTON

Grant and Loan Application Best Practices

By: Leily Mojarab, PE, Engineer














Water and sewer utility owners and operators understand the reality: infrastructure costs are high, political support is inconsistent, and needs rarely align with annual budgets. Ratepayer-funded systems face constant pressure to delay projects, even as assets age and the risk of system failure rises. When unexpected failures or regulatory demands arise, the question isn't whether funding is needed, but where it will come from. For many utilities, the strategic use of loans and grants is no longer optional; it's essential to maintaining system reliability and protecting communities.

If this feels familiar, here are some proven ways to improve your odds, starting with identifying the right program, planning early, aligning with agency priorities, and building relationships that strengthen your application.









Do Your Homework

Securing funding begins with understanding which programs exist and which ones best fit your project. Before drafting an application, research available funding programs and confirm that they align with your project's scope, schedule, and funding needs.

The table below highlights state and federal funding programs available in Washington, including the types of projects they support. Most state funding programs operate on annual cycles, while planning funds and emergency programs are often available on a rolling basis. Application timelines change regularly, confirm current deadlines with program staff early. Use this as a starting point to identify programs that align with your project's goals.

PROGRAM	AGENCY	TYPE	PHASE	PRIMARY USE
Public Works Board	Commerce	Loan	  	Infrastructure projects that promote public health and safety, community and economic development, broadband connectivity, and protect the environment.
Community Economic Revitalization Board	Commerce	Loan		Public infrastructure for private business expansion, such as water, stormwater, sewer, public buildings, telecommunications, and port facilities
Drinking Water State Revolving Fund (SRF)	Health	Loan	 	Drinking water system infrastructure improvements, including, consolidation, and source water protection.
Water Quality Combined Funding	Ecology	Loan, Grant	 	Wastewater, stormwater, nonpoint source activities, and on-site sewage systems.
Environmental Loans	RCAC	Loan	 	Water, waste disposal, and other facilities that serve rural communities in the West.
Connecting Housing to Infrastructure	Commerce	Grant	 	Infrastructure associated with affordable housing, such as water and sewer extensions, upsizing, connections, and system development charges.
Community Development Block Grant	Commerce	Grant		Public infrastructure, including sewers, water systems, and streets or sidewalks.

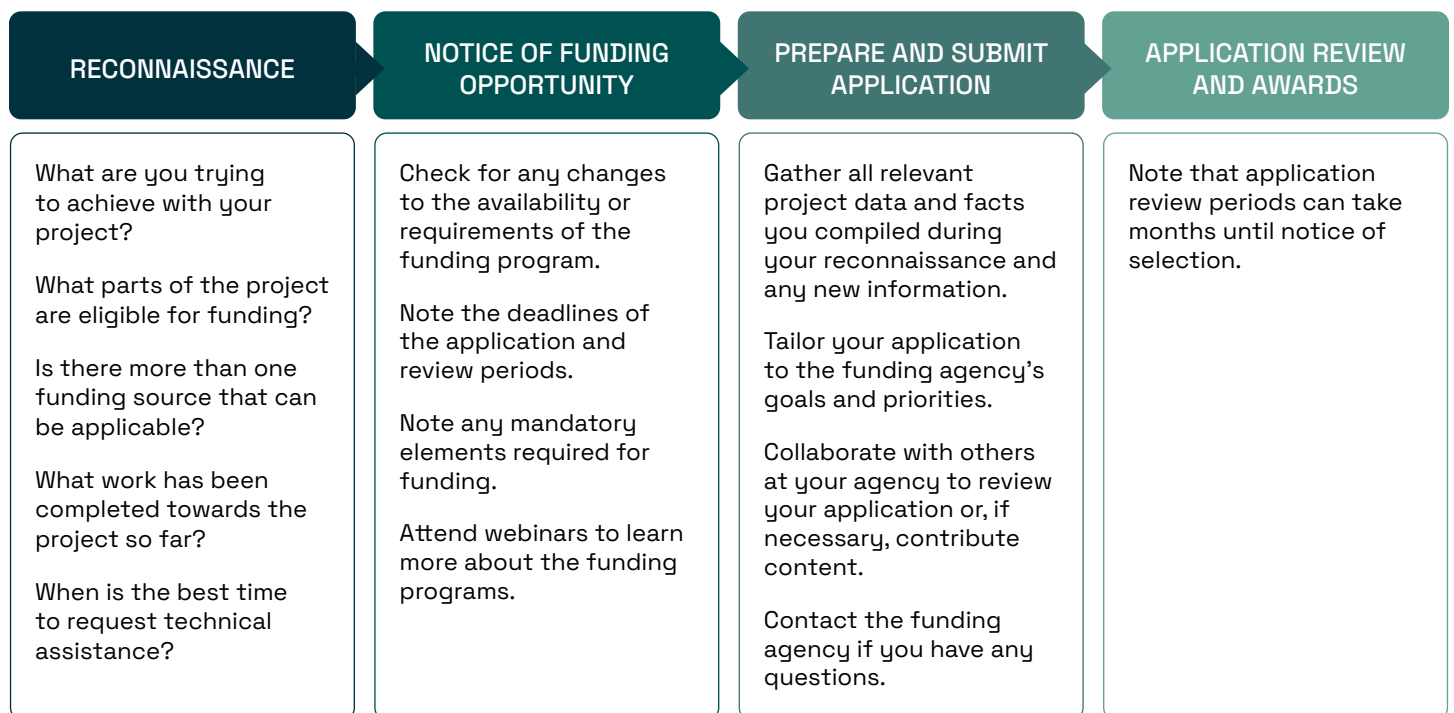
LEGEND:  = Planning/Design  = Construction  = Emergency

PROGRAM	AGENCY	TYPE	PHASE	PRIMARY USE
WaterSMART	Bureau of Reclamation	Grant		Water management, watershed management, drought planning, water shortage implementation, and other projects that contribute to sustainability.
Hazard Mitigation Grant Program	Federal Emergency Management Agency (FEMA)	Grant		Utility retrofits, drainage improvement projects, slope stabilization, and hazard mitigation plan development.
Rural Development, Water, & Environmental Programs	US Department of Agriculture	Grant	 	Water and wastewater facilities in rural communities.
Transportation Improvement Board	Transportation	Grant	 	High-priority transportation projects.
Legislative Direct Appropriation	Congress	Grant	 	Project vary and are restricted to local government agencies, tribal governments, and eligible non-profits.

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Strategize Early

The process for applying for grants and loans begins well before submitting an application. Successful proposals result from early planning, a clear project vision, the collection of supporting data, and alignment of project goals with the funding agency’s priorities. It’s also important to remember that funding doesn’t have to come from a single source. Many successful projects use multiple grants and loans to strengthen their overall funding strategy. The roadmap below illustrates the key steps in the funding process and highlights where early planning can make the biggest difference.



Tailor Your Approach to the Funding Agency

Funding agencies prioritize project outcomes that closely match their program’s mission, vision, and goals. Understanding each agency’s priorities is crucial for making your application more competitive. Successful applications clearly demonstrate how projects align with these specific interests.

For instance, the Public Works Board prioritizes community voice. Applicants should clearly explain why the project is important, the consequences of not funding it, its impacts on the community, and how it addresses community needs.

Ecology’s Water Quality Combined Funding Program focuses on project details. Competitive applications clearly define the who, what, where, when, why, and how of the project, supported by quantitative data and documented evidence of the utility needs and issues. Show them how every detail of your project contributes to Ecology’s overall goals.

Finally, many federal funding agencies, such as FEMA, use cost-benefit analyses as a major eligibility factor. Demonstrating measurable benefits, such as risk reduction, avoided damage, or long-term cost savings, is often a significant component of these applications.

Communicate With the Funding Agency

Funding agencies want to fund as many projects as possible, and early communication can strengthen your funding strategy. Connecting with program staff to ask questions and get their input helps clarify and confirm alignment with their priorities and demonstrates that you are prepared and committed to delivering a successful project.

For example, during a recent hazard mitigation grant application, we met with FEMA representatives to learn how to use their benefit-cost analysis tool, which contributed to a successful application.

In another Ecology grant application, our established relationship proved critical. After submission, Ecology identified that our project qualified for additional funding. We worked with them to provide supplemental information. The project ultimately ranked first out of 177 and received over \$5 million in funding. Without this relationship, we wouldn’t have had the opportunity to secure additional funding.

Opportunities to build on these connections are at the annual Infrastructure Assistance Coordinating Council (IACC) Conference, which brings together state and federal programs, local governments, and tribes to learn about available programs, ask questions, and better understand how they apply funding priorities in practice.

In addition, the IACC, the Department of Health Drinking Water SRF, and the Environmental Protection Agency (EPA) Water programs offer free opportunities to work with their “Tech Teams” to connect you with the funding agencies that align best with your project.

Keep Trying

Don’t be discouraged if your project doesn’t receive funding. Money is scarce, and applications are competitive. The best way to show agencies you are serious about funding is to keep trying.

Over the past ten years, PACE has secured over \$37 million in grant and loan funding for clients, with an 88% success rate. Though it can feel daunting and risky, the payoff is significant, and PACE can help guide you through the funding process.



ABOUT THE AUTHOR

Leily Mojarab, PE, is an Engineer with five years of experience assisting public agencies with planning, designing, and funding their capital improvement projects. She has helped multiple public agencies obtain government loans and grants through various Washington State programs. In the last four years, she has helped local agencies obtain over \$28 million in funding.

