



Conowingo Financing System

Chesapeake Bay Trust

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Agenda

- Summary of Activities
- Financing System Analysis
 - Institution and/or authority
 - Financing system structure
 - Existing capacity
- Pilot Project

Summary of Activities

- Advisory Committee
- Research
- Case Study Analysis:
 - Financing authorities
 - Restoration funds
 - Chesapeake institutions

Financing System Assessment

- **Financing** is the money supporting projects up front with the expectation of a return usually in the form of an interest rate.
- **Funding** is the resources supporting project implementation, either through financing or direct payment.
- **Investment** is the expectation of a return on the allocation of fiscal resources.

Financing System Assessment

Three Things a Conowingo Financing System Must Have:

- **Efficiency:** Greatest pollution reduction for dollar spent.
- **Scale:** Amount of money being funded and invested is matched to the size of the project.
- **Duration:** Long term implementation. Must reduce 6 million pounds per year so financing has to match that.

Pilot Project

- **Key issues:**
 - We assumed the need for a new institutional structure, either new or modified
 - Test institutional structures: the unique nature of the CWIP suggests that genuine analysis will require real world information
 - Track economic development and impact
 - Develop long-term capacity and implementation

Pilot Project

Is a new institution necessary?

- Ability to identify, generate and allocate multiple sources of revenue.
- Create innovative procurement process, leading to efficiency, i.e. move capital where it has the most efficiency.
- Leverage either through bonds, borrowing, or markets (through P3).



Thank You

