



FOR IMMEDIATE RELEASE

Sept. 11, 2024

CONTACT:

MayorPress@saniego.gov

City of San Diego Selected to Receive \$240 Million Loan for Dam Improvement Projects

**NEW WATER INFRASTRUCTURE FINANCING
PROGRAM WILL HELP BUILD NEW DAM AT LAKE
HODGES, LOWER COST BURDEN ON CITY AND
RATEPAYERS**

SAN DIEGO – The U.S Army Corps of Engineers (USACE) has announced that the City of San Diego has been selected to receive \$240.6 million in low-cost loan financing for Dam Improvement Projects, including at Lake Hodges. The financing comes through the new Corps Water Infrastructure Financing Program (CWIFP) -- a new federal financing program to provide low-cost, long-term, flexible loans for borrowers to maintain, upgrade, and repair non-federal dams.

Funded through the Bipartisan Infrastructure Law, the CWIFP incentivizes local investments in projects that enhance community resilience to floods, promote economic prosperity, and improve environmental quality.

“The Bipartisan Infrastructure Law continues to pay dividends here in San Diego. I want to thank the Biden-Harris Administration for selecting the City to participate in this program that is going to help build a new dam at the Lake Hodges Reservoir,” said Mayor Todd Gloria. **“The safety of our critical infrastructure, like our City-owned and -operated dams, is essential to public safety and lowering costs for ratepayers across our city.”**

Mayor Gloria and other local leaders have advocated strenuously for federal funding to help replace the Lake Hodges Dam during several visits to the nation’s capital. Most recently, Mayor Gloria met with officials from the U.S. Environmental Protection Agency’s Office of Water about this issue as part of the San Diego Regional Chamber of Commerce delegation visit to Washington D.C. back in April.

One of [18 inaugural selections](#) nationwide, this investment will help the City fund the replacement of the Lake Hodges Dam, including construction of a new roller-compacted concrete dam about 100 feet downstream of the existing dam to meet current dam-safety standards and to meet water-supply and operational needs.

“The Bipartisan Infrastructure Law shows what Congress can accomplish when we work together. I supported it because I knew it would deliver for San Diegans — and it has,” Said Rep. Scott Peters (CA-50). **“The Lake Hodges Dam is over a century old and one of 42 dams in California with restricted water storage. It’s important that the design and construction of our most critical infrastructure be of this century and able to withstand whatever Mother Nature throws its way.”**

Over the course of the next year, the City will work to submit and finalize an agreement with the U.S Army Corps of Engineers.

CWIFP offers benefits to its borrowers that other traditional financing sources often cannot. The program provides below-market interest rates as well as flexible repayment schedules that enable municipal, regional, and state-level borrowers to save on interest payments, spreading the repayment of initial investment costs across the useful life of the asset.

Projects must also be deemed creditworthy, technically sound, economically justified, and environmentally acceptable; cost \$20 million or more; comply with relevant federal laws and regulations; and receive public sponsorship if undertaken by a private entity.