Effective Financing Solutions

Paying for Stormwater and Green **Infrastructure Projects**

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🝘 Learning Network

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Welcome!

- Phone lines are muted
- Please chat questions as we go
- Session will be archived at <u>www.sclearningnetwork.org</u>

The EFC: Who are we?



Address the issue of "how to pay" by working across sectors

Help local and state organizations meet environmental mandates in fiscallysound manner



EFC Services and Assistance

Our work includes (finance lens):

- Technical Assistance
- Agriculture, Stormwater and Green Infrastructure
- Air Quality
- Climate and Energy
- Sustainability
- Program and Policy Analysis



What to expect today...

- The importance of sustainable finance
- Applying green infrastructure to stormwater
- Local government stormwater manual
- Real life community examples



Sustainable Financing: Green Infrastructure

A stormwater management approach with the capacity to:

- Reduce implementation costs
- Deliver benefits that serve multiple community priorities
- Engage the private sector
- Spur behavior change through the marketplace
- Provide return on investment to local economies



EFC's Stormwater Financing Manual

After many years of working with communities, EFC developed a manual to outline how locals can effectively implement and sustainably finance stormwater and green infrastructure programs.



- Created as a resource and framework that mirrors our process when working with communities
- Reference guide for communities who have capacity/political will to take this up on their own
- Each community is different but there is a framework for implementation

Introduction to Stormwater Management

At EFC we take a very broad, all-encompassing definition of stormwater management



PROTECT OUR COASTAL BAYS



KEEP TRASH, PET WASTE, AND CHEMICALS AWAY FROM STORMDRAINS.





SUPPORT STORMWATER FINANCING IN OCEAN CITY





Dealing with green infrastructure...

- What natural systems are already in place?
- Where are the gaps in the system?
- Where are there opportunities to leverage other community priorities?



Elements of a Comprehensive Stormwater Program

- Administration
- Billing and Finance
- Public Education and Involvement
- Technical Support
- Engineering and Planning
- Operations and Maintenance
- Capital Improvements
- Regulation and Enforcement



Challenges to Managing Stormwater

- Typically dispersed amongst various departments
- Large capital costs aging infrastructure, future development/growth, water quality BMP implementation
- Long term maintenance
- Importance of technology "good" data
- Requires staff capacity for administrative and technical components
- Extensive public education/outreach



Stormwater Financing Options

| | Coverage of Cost Type | | |
|--------------------------------|-----------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------|
| Source | Capital | Operations & Maintenance | Features |
| Grants | Yes | No | Not guaranteed, highly competitive, not sustainable in the long-term |
| Loan Programs | Yes | No | Not guaranteed, highly competitive, must repay often with interest |
| Bond Financing | Yes | No | Dependent on fiscal capacity, can utilize for large, long-term expenditures, must repay with interest |
| General Fund | Yes | Yes | Not equitable, competes with other community priorities, changes from year-to-year |
| Permit & Inspection Fees | No | No | Not significant revenue, may deter development |
| Public Private Partnerships | Yes | Yes | Efficiency, transfer of risk, capital access |
| Stormwater Utility Fees | Yes | Yes | Generates ample revenue, sustainable, dependable, equitable, requires significant public dialogue |

Lancaster City, Pennsylvania

Oxford, Maryland

Anne Arundel County, Maryland

Baltimore, Maryland

Calvert County, Maryland

Scranton, Pennsylvania

Berlin, Maryland

Ocean City, Maryland

COMMUNITY EXAMPLES

Lynchburg, Virginia

Mercersburg, Pennsylvania

Warrington Township, Pennsylvania

Hampton, Virginia

Blair County, Pennsylvania

Salisbury, Maryland

Lancaster County, Pennsylvania

Lancaster City, PA: Holistic GI approach

- Cost savings
- Making the business case for GI
- Cadillac model
- Pilot projects jump start comprehensive, long term program ultimately funded by a stormwater fee (utility)

Check out Lancaster City's Saveit! website





Lancaster County, PA: Peer-to-peer collaboration

on MS4-related activities

- Opportunity to collaborate piece meal at this time; move toward regionalization in long term
- Additional investment required by all 6 municipalities
- Estimated expenditures range from approximately \$270,000 to \$10.1 million over 5 years
- All should consider implementing a dedicated user fee in form of an authority; some require further analysis to identify specific costs
- Extensive public outreach process needed



Berlin, Maryland: Unregulated community addressing flooding through a stormwater utility fee



View video <u>here</u>

Hampton, VA: Public private partnerships

- Completely different financing approach
- Private donations to pay for beautification and stormwater gardens









Check out City of Hampton's Website

Scranton, PA: Utilizing existing capacity and resources

- Significant challenges to comprehensively addressing stormwater through City alone
- Developing comprehensive stormwater management program through integration of existing permit activities
- Using Lancaster City as model for asset management and green infrastructure





Warrington Township, PA: Overlaying community priorities to leverage investment

- Passed \$3 million open space bond referendum to:
 - **1**. Purchase and preserve open space
 - 2. Acquire trail linkages and expand trail system
 - 3. Improve park infrastructure



EFC's role: Determine strategies to stretch those dollars while meeting additional local needs:

- 1. Overlay existing priorities with stormwater management compliance activities and green infrastructure opportunities
- 2. Partner with existing organizations
- 3. Identify funding opportunities

HUD Case Stories

Shedding light on other examples around the country



City of New Orleans, Louisiana Maryland National Capital Park and **Planning Commission** Metropolitan Council, Minnesota Gulf Regional Planning Commission, Mississippi City of Pittsburgh, Pennsylvania City of Columbia, Tennessee City of Knoxville / East Tennessee Shelby County, Tennessee Capital Area Regional Planning Commission, Wisconsin

What makes a stormwater program successful?

First hand observation reveals...



Need More Info? Contact Us!



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