Presentation to 18th Annual NPS Conference

Waterfront renewed. City revitalized.

Does a Stormwater Utility District Make Sense for the East Providence Waterfront?

May 22, 2007

East Providence Waterfront Commission
Background & Purpose

- Ultimate goal is to maximize redevelopment potential of the Waterfront District
- Storm water could become a future constraint to redevelopment
  - Will be more obvious after best sites are developed
- The good news: substantial grants are available
  - But need a plan and ability to provide matching funds
A Brief Tour of the Waterfront...
A Brief Tour of the Waterfront…
Redevelopment Vision

Quality Product
Projects of high quality planning, architecture and materials

Community Sensitivity
Sensitive to historical and community concerns

Mixed-Use
Provide mix of commercial, residential, institutional, light industrial, civic and recreational uses

Environmental Improvements
Improve current site conditions while protecting and enhancing the natural environment

Public Access
Provide the public with improved access to the East Providence coastline

Economic Development
Stimulate both short- and long-term economic development opportunities in the City and Rhode Island

Fiscal Impact
Positive fiscal impact on local and State government
And Proposed Redevelopment...

Ross Commons

- First project approved by Commission
- 54 one- and two-bedroom condominiums
- 4,000 square feet office
- Six of the units are priced as “affordable”: required by the Waterfront Development District Plan
- $6 million project
- Occupancy underway
Aspen Aerogels

- New 140,000 sf manufacturing facility
- $30 million to retrofit a formerly abandoned industrial plant
- Manufacturer of high performance insulating materials known as aerogels
- Commercial, military and aerospace customers
- Aspen employs approximately 80 people at salaries ranging from $50,000-$80,000
Tockwotten Home

- New 148-bed assisted living facility
- $41 million nursing and assisted living center will replace its existing 140-year old building in Fox Point
- Assisted living, Alzheimer’s unit and skilled nursing care for 52 residents
- Will employ 100 people on a budget of $8 million.
- Approved in September 2005, construction in 2007
- Must wait for construction of Waterfront Drive and relocation of power lines
East Pointe-GeoNova

- Former Ocean State Steel Co. site
- City acquired 27-acre site in 2003 and utilized $3 million Section 108 loan and $2 million BEDI grant for remediation
- Mixed-use development includes 495 housing units, office and retail space
- Received approval in February 2007
Phillipsdale Landing

- Redevelopment of historic Phillipsdale Landing industrial complex
- 17-building complex containing approximately 350,000 square feet of buildings on 12.7 acres
- Mixed-use development consisting of 240 loft-style residential units, approximately 38,500 square feet of commercial space and a 173-seat restaurant facility
Waterfront District Conditions

- Existing storm water infrastructure is limited
- Many parcels are “landlocked”
- Soils are poor in much of the district
- Some parcels have little space for controls

Conclusion: Many parcels will be more difficult to develop without some storm water resources.
Environmental Conditions

- Seekonk and Providence Rivers do not meet water quality standards
  - Nitrogen and pathogen related impairments
- CRMC will require storm water controls for nitrogen.
- RIDEM may require future controls for pathogens if outfalls are a significant source.
  - Future development could be required to demonstrate no net increase in pollutant loads
Potential Infrastructure Plan

- Consider shared system and management practices for new development with limited drainage potential
  - Filter strips (A1, A2, A3)
  - Infiltration systems (B1, B2)
  - In-line controls (C1, C2, C3)
Utility District Functions

- Leverage other funding—such as GRANTS.
- Advanced flood control.
- Regional planning.
- Regional treatment.
- Water quality treatment.
- Operation and maintenance of treatment systems.
How Do Communities Fund Stormwater Management?

- General fund and utility—Most appropriate for operational and administrative functions.
- Other funding sources are for specialized purposes.

<table>
<thead>
<tr>
<th>Category</th>
<th>Financing Method</th>
<th>Typical Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary—Characterized by maximal application</td>
<td>General fund</td>
<td>General operations, administration and finance</td>
</tr>
<tr>
<td>flexibility.</td>
<td>Utility funds/fees for service</td>
<td>management.</td>
</tr>
<tr>
<td>Secondary—Characterized by use restrictions</td>
<td>Impact fees</td>
<td>Offset for externalities of development</td>
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<tr>
<td>and conditions.</td>
<td>Development review fees</td>
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<td></td>
<td>Permitting fees</td>
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<td></td>
<td>In-lieu-of fees</td>
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<tr>
<td></td>
<td>Grants</td>
<td>Capital improvements and special projects</td>
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<tr>
<td></td>
<td>Bonds</td>
<td></td>
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<td></td>
<td>Special assessments</td>
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</tbody>
</table>
## Utility vs General Fund

### Table 5.2

**General Revenues and Utilities**

<table>
<thead>
<tr>
<th></th>
<th>General Fund Revenues</th>
<th>Stormwater Utility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political Acceptance</td>
<td>Many competing programs for a resource limited by the will of the elected officials to impose taxes.</td>
<td>Required community support and the political will to create a new funding source based on fees.</td>
</tr>
<tr>
<td>Equity or Cost/Benefit</td>
<td>Impacts only those who pay GF revenues sources, and is not related to the cost of services.</td>
<td>Fee for services received and imposed on all those who contribute to need for services.</td>
</tr>
<tr>
<td>Feasibility Already in place in most communities.</td>
<td>Need political will.</td>
<td>Requires mechanism for billing fees and administering utility.</td>
</tr>
<tr>
<td>Easy to Administer</td>
<td>System in place to manage General Fund.</td>
<td>Once rate base and billing file is created, relatively easy to maintain.</td>
</tr>
<tr>
<td>Legal Structure</td>
<td>Typically allowed and functioning already.</td>
<td>Need to verify that authority exists, and if not, authority must be obtained.</td>
</tr>
<tr>
<td>Funding Level</td>
<td>Must compete with other priorities of the organization and can be used for operating and capital costs.</td>
<td>Dedicated source of funds for program, allowing the use of fees for debt payment, operating costs, and capital improvements.</td>
</tr>
<tr>
<td>Dedicated to Program</td>
<td>Must compete for funds.</td>
<td>Dedicated to program.</td>
</tr>
</tbody>
</table>
District and Citywide Costs

Stormwater Management Costs:

- Approximately $170,000 (citywide): $1.50 - $8.00 per capita (Annual Cost = $1,525 + Pop/2.62x$8.93).

- By acreage:

<table>
<thead>
<tr>
<th>Program Level</th>
<th>Program Cost per Acre per Year</th>
<th>Waterfront District (475 acres)</th>
<th>Citywide (8,579 acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incidental</td>
<td>$15 - $30</td>
<td>$7,125 - $14,250</td>
<td>$128,685 - $257,370</td>
</tr>
<tr>
<td>Minimum</td>
<td>$30 - $60</td>
<td>$14,250 - $28,500</td>
<td>$257,370 - $514,740</td>
</tr>
<tr>
<td>Moderate</td>
<td>$60 - $90</td>
<td>$28,500 - $42,750</td>
<td>$514,740 - $772,110</td>
</tr>
<tr>
<td>Advanced</td>
<td>$90 - $150</td>
<td>$42,750 - $71,250</td>
<td>$772,110 - $1,286,850</td>
</tr>
<tr>
<td>Highly Advanced</td>
<td>Over $150</td>
<td>Over $71,250</td>
<td>Over $1,286,850</td>
</tr>
</tbody>
</table>
Does a Utility Make Sense?

- Shared infrastructure?
- City-managed water quality/development?
- District-wide storm water management plan?

If so a district will help:

- Leverage funding.
- Encourage planning.
- Increase marketability.
- Enhance redevelopment options.
District has some funding now.

- $250,000 earmarked grant.
  - Administered by USEPA.
- Develop storm water management plan for District.
- Select and design set of “shared controls” as demonstration.
- Develop sources of funding.