

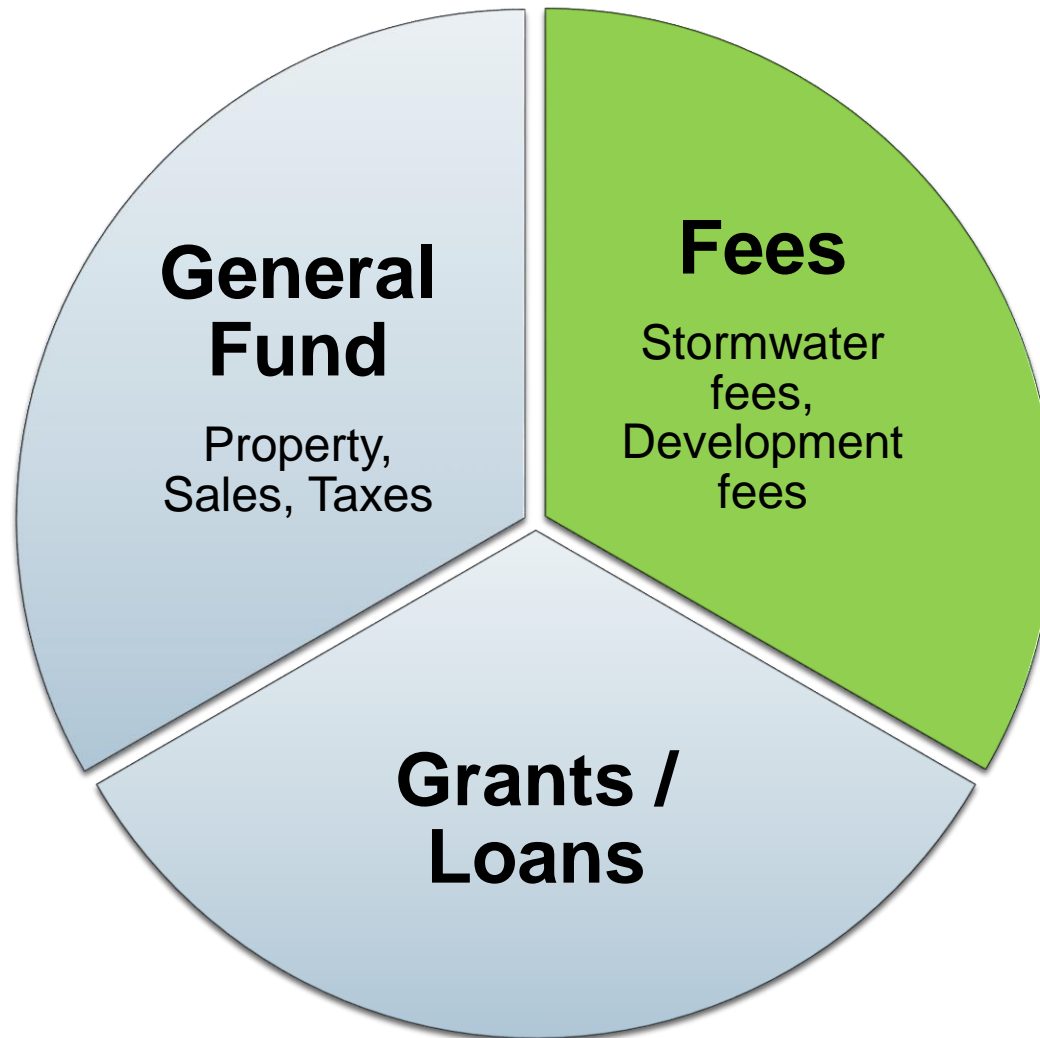


Innovative Funding Strategies

Stormwater Finance Forum

..... November 15, 2016

Primary Stormwater Funding Sources



By the Numbers

2,000

Estimated Number of Stormwater Utilities in the US

15

Estimated Stormwater Utilities in New England

0

Estimated Stormwater Utilities in New Hampshire

National Perspective



Los Angeles CA - Largest Pop. Served 3 million

Indian Creek, FL - Smallest Pop. Served 88

Average Population Served 70,000

Median Population Served 18,000

National Perspective

2016 Stormwater Fees

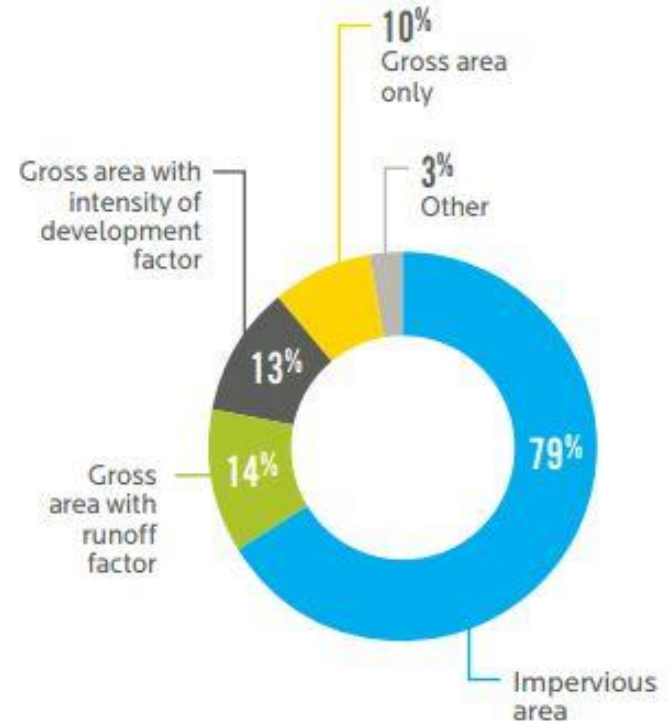


National Average Monthly Stormwater Fee \$5.14

National Median Monthly Stormwater Fee \$4.00

Source: University of Western Kentucky 2016 Stormwater Utility Survey

Basis Used for Stormwater Fee



Source: BV Stormwater Utility Survey

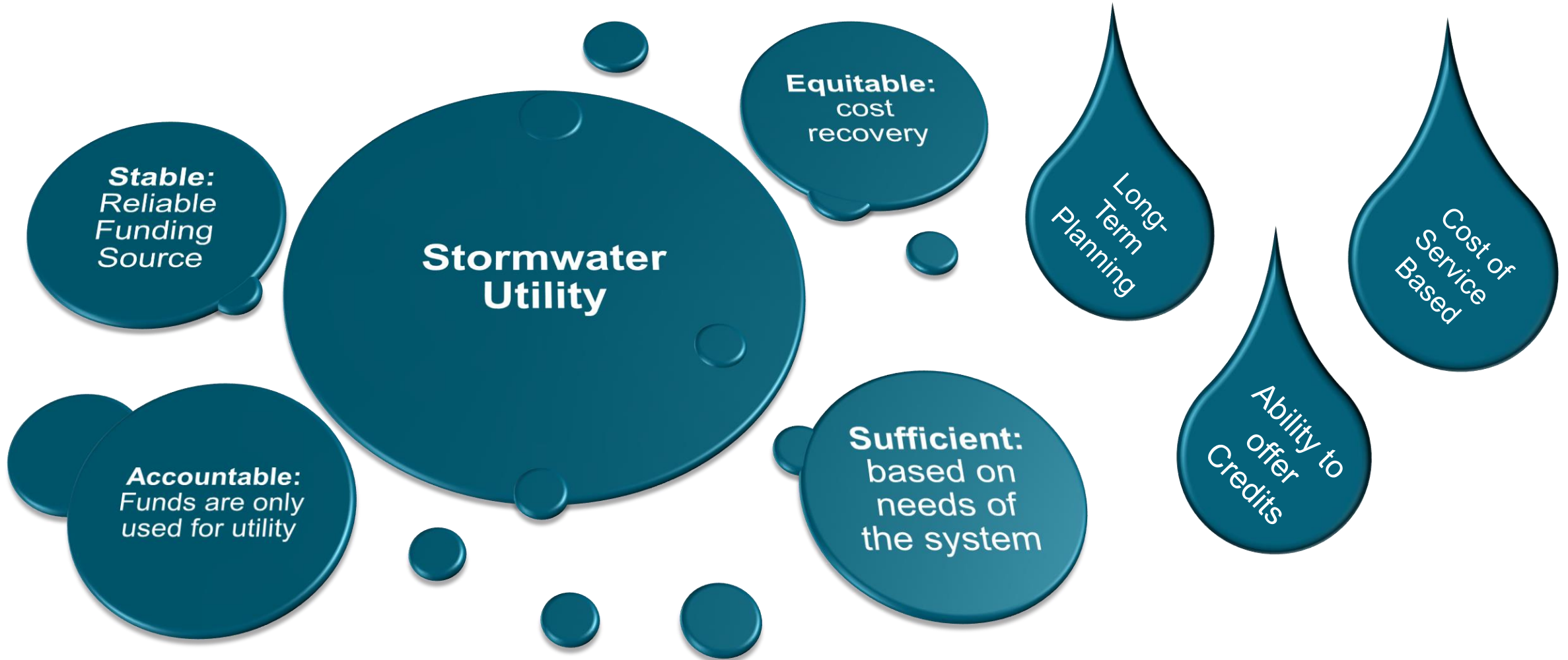
Stormwater Utility Concept



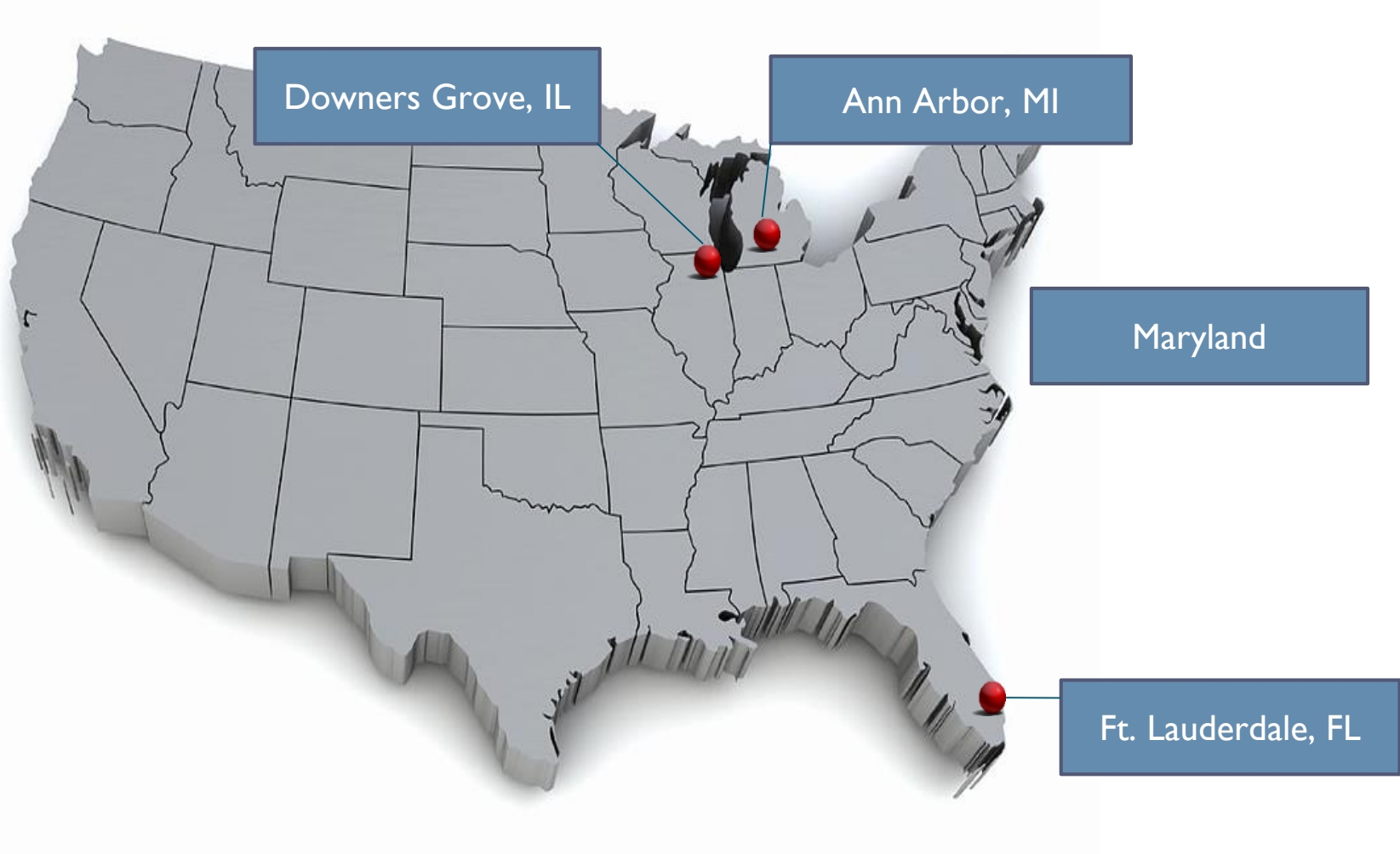
- ▶ A tax is means of generating revenues
- ▶ A stormwater fee is intended to reflect the cost of providing a service, similar to other utilities (i.e. water, sewer etc.)
- ▶ A stormwater utility: management of a public system, organized to deliver a specific service



Benefits of Stormwater Utility Approach



Case Study Examples



Ann Arbor, MI - Stormwater Utility

City established stormwater utility in 1984, first in Michigan

- Fees flat for residential (same fee for all) and measured impervious for non-residential
- Minimal credits offered to non-residential parcels

2006 City revamps stormwater fee structure

- Stormwater fee tiers implement
- Expansion of credit program to all parcel owners

Hawksley is currently engaged to examine

- Performance of fee structure and cost of service
- Level of service analysis
- Expansion of credit program

Single-Family and Two-Family Residential

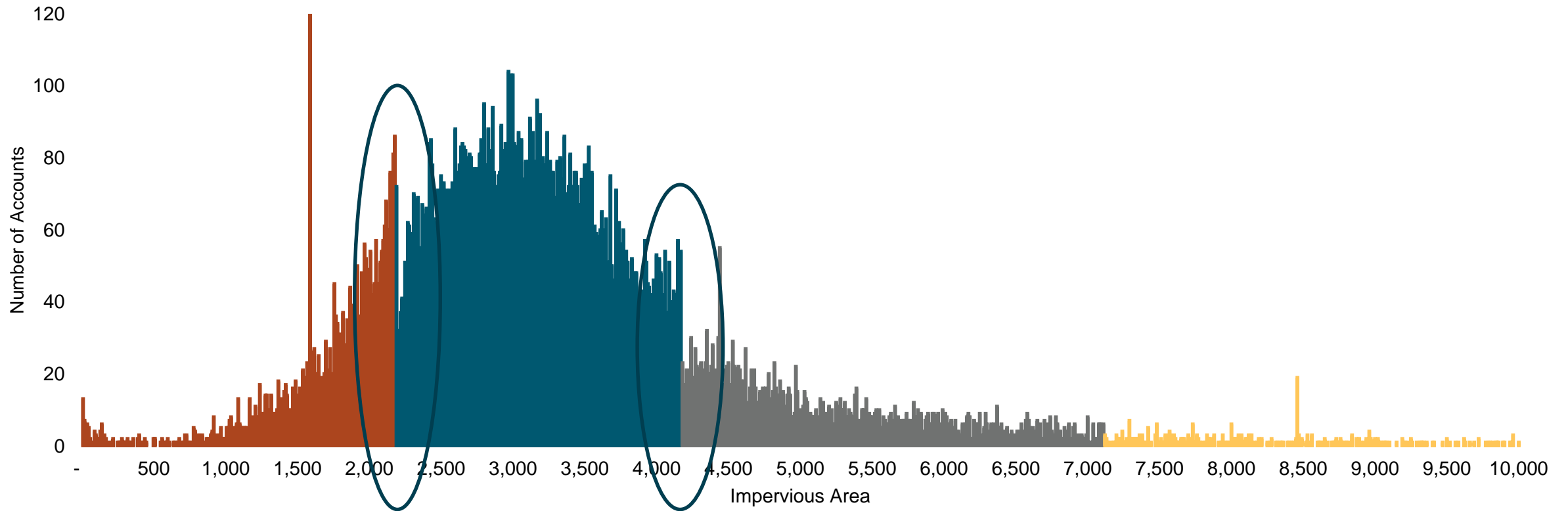
Measured Impervious	Quarterly Charge
Up to 2,187 sq. ft.	\$17.00
> 2,187 to 4,175 sq. ft.	\$29.75
>4,175 to 7,110 sq. ft.	\$51.00
Over 7,110 sq. ft.	\$89.75

Non-Residential

Measured Impervious per Acre	\$425.00
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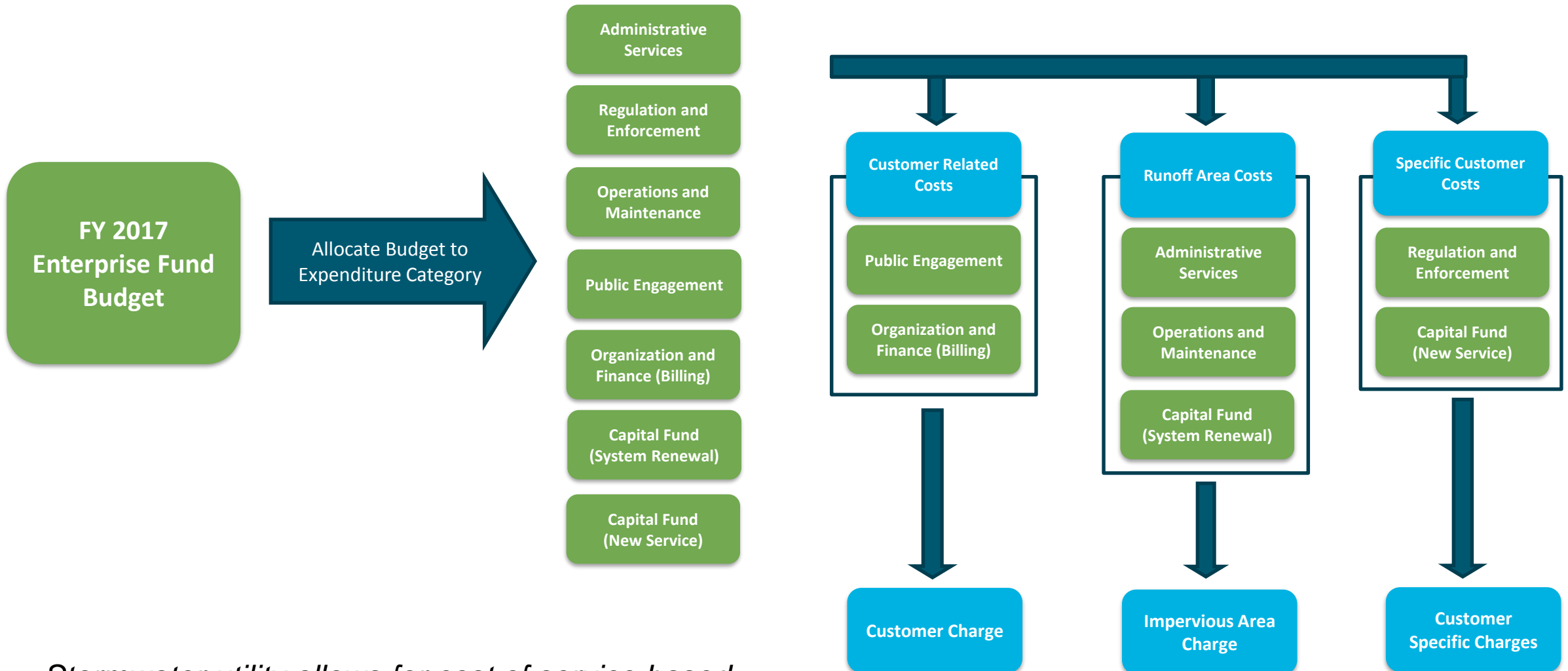
Ann Arbor, MI – Impacts of Fee Structure

Single & Two Family Impervious Area Distribution



Fee structure has encouraged reductions in impervious area

Ann Arbor, MI - Cost Allocation Process



Stormwater utility allows for cost of service based fee development = equitable cost recovery

Downers Grove, IL – Stormwater Fee with Tax Reduction

Stormwater utility established in 2012

- In response to multiple Village-wide flooding events

Extensive public engagement

Key selling point for utility and the fee was concept of equity

- Established fee to fund all stormwater expenses
- Offsetting property tax reduction of \$2.5 million
- Provided direct feedback to parcel owners based on impacts



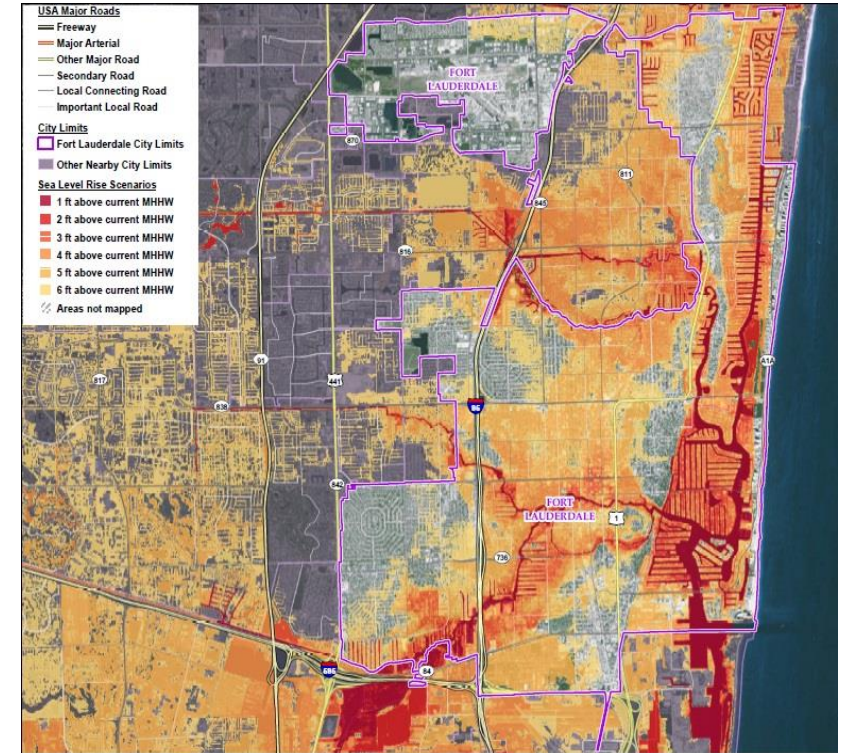
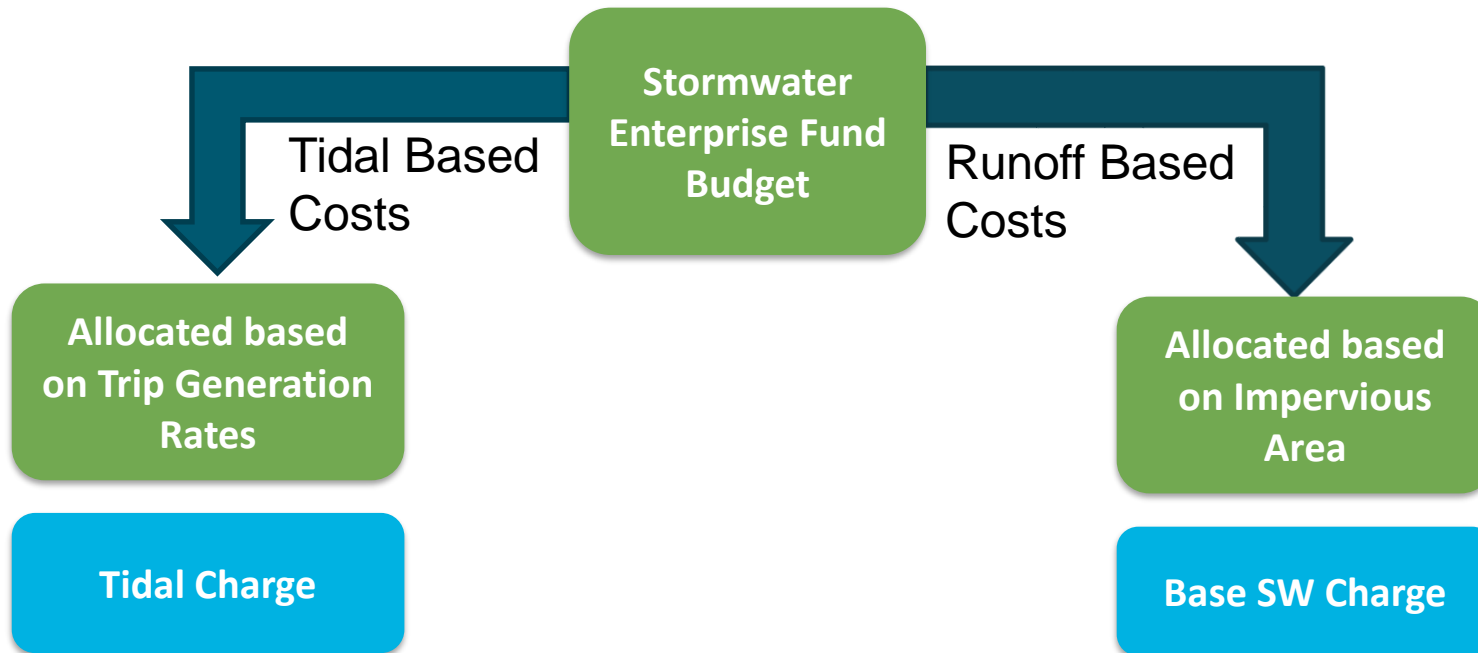
Downers Grove	
Population served	48,000
Annual SW Fee Revenues	\$4 million

Ft. Lauderdale, FL – Location Based SW Fees

City's stormwater system handles two types of stormwater events:

- Precipitation driven
- Tidal driven

Hawksley team members engaged to examine financial plan and fee structure to address capital needs



Fort Lauderdale, FL: Tidal Flood Maps from GIS data sets.

Maryland - Rain Tax

Background

In 2012 then-governor signs into law House Bill 987 requiring stormwater fee for largest urban jurisdictions in Maryland

Deadline for establishment of stormwater remediation fee July 1, 2013

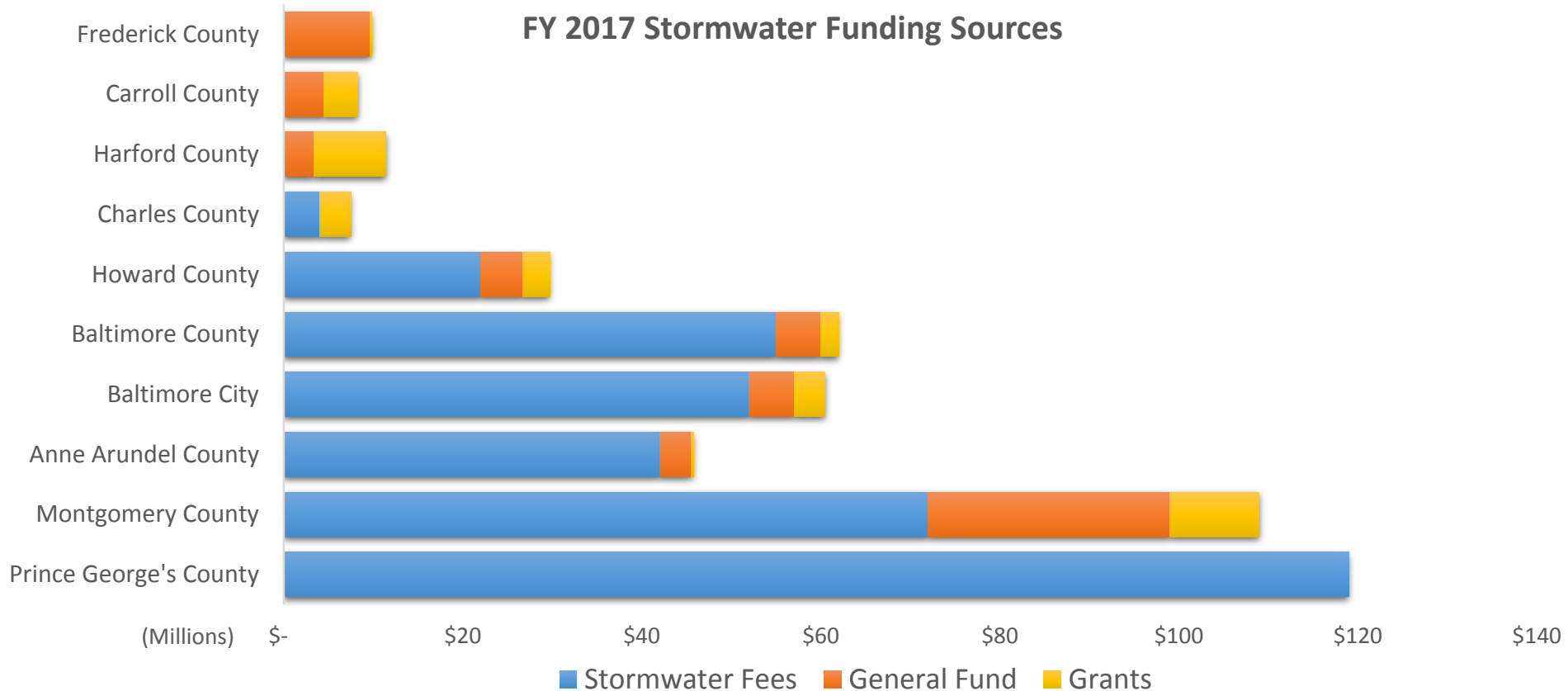
Concept of the fees are met with significant amount of opposition and national press (CNN, Forbes, Wall Street Journal, etc.)



**It's Raining
Taxes in
Maryland!**

Maryland - Rain Tax

In 2015, Governor “repeals” the rain tax - Counties are no longer required to maintain a stormwater fee but must still fund watershed programs that meet long-term TMDL requirements



Take Aways

Over the long-haul stormwater funding will need to come from within the community

Specific funding approach should match characteristics of community

To be successful there has to be a compelling reason for **change.....you want more money, why?**

Stormwater utilities have tremendous upside



QUESTIONS

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