DOVER AD-HOC COMMITTEE TO STUDY STORMWATER AND FLOOD RESILIENCE FUNDING



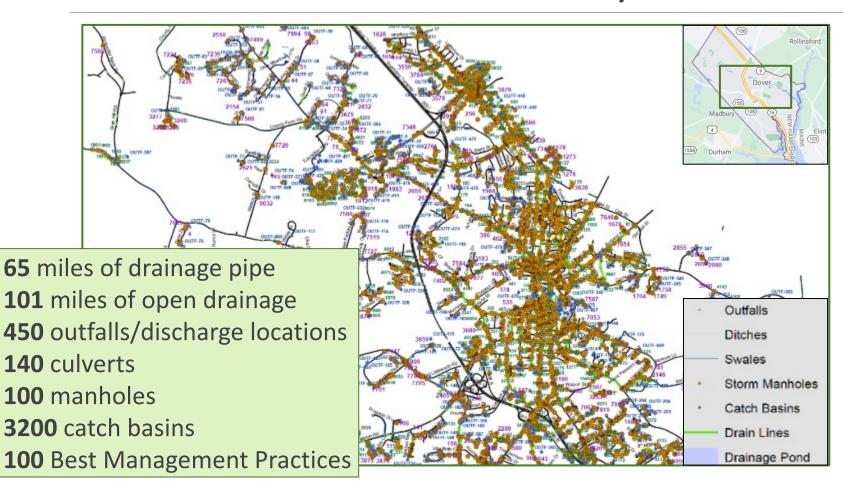
September 28, 2022

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Dover's Stormwater System



Unavoidable Infrastructure Cost









Increasing Flood Risk

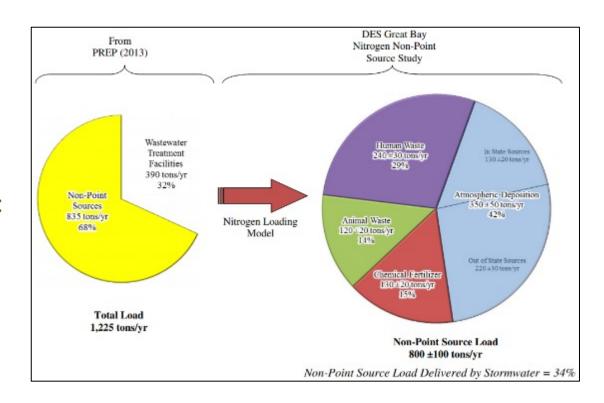




New Regulatory Requirements

MS4 Permit with increasing requirements

EPA Great Bay Total Nitrogen General Permit



Competing Funding Needs



Over \$5M in Deferred Projects





5-Step Process

- Assess Funding Needs Related to Stormwater and Flood Resilience
 Know your current assets, future needs, and capital and operating budget
- 2 Create a Stormwater and Flood Resilience Funding Task Force Generate community and political support for funding solutions
- Consider Funding Strategies

 Evaluate funding options and establish criteria to choose the best option
- 4 Launch Stormwater and Flood Resilience Funding Program
 Establish a dedicated source of funding to support future needs
 - Post-Implementation Sustainability Measures
 Ensure ongoing transparency to the community

The Right People at the Table

Diverse committee with 17 members representing various interests:

- Business representatives
- Developers
- Residential property owners
- Commercial property owners
- Tax-exempt property owners
- Environmental groups
- City Councilors
- City staff



Funding Options Considered

AN EXPLORATORY PROCESS WITH NO PREDETERMINED OUTCOME

Funding Options

- General Fund
- Fee-based
- System Development Charges
- Stormwater Utility
- **Committee Homework Evaluation Criteria**
- Primary vs. supplemental
- SAFE criteria
- Advantages and disadvantages
- Concerns/Questions

- Sewer User Fees
- Village Districts
- Public-Private Partnerships
- Grants, Loans, and Bonds



Committee Recommendations

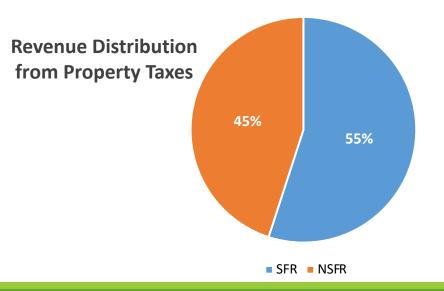
UNANIMOUS SUPPORT for the recommendation of a stormwater and flood resilience utility

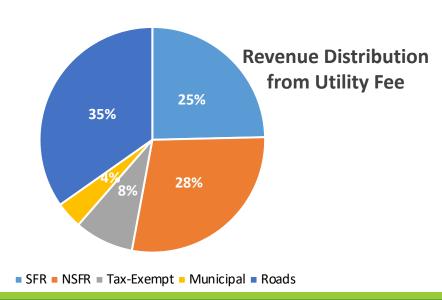
- An equitable credit system that encourages on-site stormwater quantity and/or pollutant reductions is key to the success of a stormwater and flood resilience utility
- Public outreach, education, and involvement is paramount

Why A Stormwater and Flood Resilience Utility?

More Equitable Distribution of Costs

- Property owners currently pay based on tax valuation instead of how much stormwater runoff they generate
- Tax-exempt properties would help to fund the Stormwater Program
- Utility based funding for the Stormwater Program will make more General Fund revenue available for other needs





Determining Utility Rates

Equivalent Residential Unit (ERU)

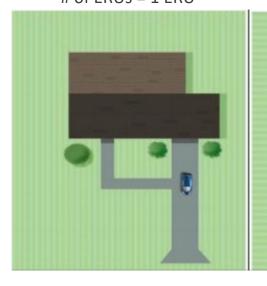
- Median impervious area on typical residential property
- For Dover, 1 ERU = 3,430 sq. ft.

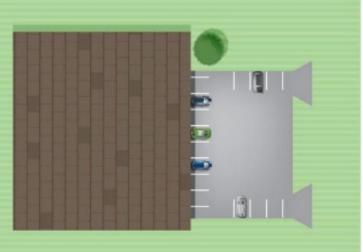
Typical Residential Property

Impervious area: 3,430 sq. ft. # of ERUs = 1 ERU

Example Commercial Property

Impervious area: 17,150 sq. ft. # of ERUs = 17,150/3,430 = 5 ERUs





Potential Utility Rates

Number of ERUs in Dover

Property Type	Total Impervious Area (sq. ft.)	# of ERUs	Percent of Total
Single Family Residential	26,230,478	7,647	25%
Non-Single Family Residential	30,123,126	8,782	28%
Tax-exempt/nonprofit	9,018,743	2,629	8%
Municipal	4,100,604	1,196	4%
Roads	37,018,812	10,793	35%
TOTAL	106,491,763 sq. ft.	31,047	100%

Committee recommendations:

- Utilize a proportional (per ERU) fee
- No exemptions all developed properties should contribute
- Example utility rates were calculated based on funding \$3.5 million
 Stormwater Program

Estimated stormwater and flood resilience utility rate based on Committee recommendations (rounded): \$9/month/ERU

^{*}Rate shown is only a preliminary estimate. Additional analysis needed prior to finalizing rates.

Credit System

Credits must be offered to allow reductions of a property owner's rate

The Committee recommends considering the following types of credits:

- Performance-based: on-site reductions of stormwater runoff volume and/or pollutants
 - Drywells
 - Infiltration chambers
 - Permeable pavers
 - Rain gardens
 - Other types of green infrastructure improvements
- Social equity: based on existing property tax relief programs
 - Low-income and affordable housing
 - Elderly/Senior citizens
 - Veterans
 - Disability
 - Blind/Deaf
 - Tax-exempt/Nonprofit

City Council Approval

FEBRUARY 2, 2022: City Council voted 6-3 in favor of accepting the Committee's recommendations

 Staff have been directed to begin outreach, finalize impervious area analysis, and develop the credit system

No commitment has been made to adopt a utility yet

- The Ordinance Committee must review and approve first
- City Council will hold another vote to adopt the utility once public outreach has been completed

Next Steps

Convene Project Team and Key Stakeholders

Secure Funding Through NHDES Grant/Loan Programs

Public Outreach and Education

- Develop and implement public outreach plan (9-12 month process)
- Allow the public to shape the structure of the utility
- Learn from similar (successful or not) outreach efforts

Technical Elements

- Develop the credit system
- Finalize impervious area analysis and calculate individual fees

Administrative & Logistical Elements

- Determine billing process
- Identify customer service and other staffing needs

THANK YOU!

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