

Questions received from the Chamber of Commerce. City staff response sent on February 10, 2015

Stormwater Management Plan Development – City of Harrisonburg

How will the new “fees” impact the economic competitiveness of Harrisonburg in comparison to other communities in the Shenandoah Valley? Obviously it may not be a big deal for a small office building or store front, but the cost can be significant for a business with a lot of impervious surface (such as a distribution center or a potential employer with a large number of employees with the need for surface parking).

RESPONSE: Staff and the SWAC discussed this issue as the Ordinance was being developed and through those discussions the many amenities (such as: water, sewer, stormwater infrastructure, roadway network, access to quality employees, etc) available in the City, made the City more attractive to do business in versus the County. As the fee was developed into a Billing Unit based system; it made the impacts on the properties equitable (so that all property owners pay their fair share) and this in turn reduces the impacts on the City property owners as a whole. As shown in our Billing Unit breakdown:

Property Type	Total Billing Units¹	Percent of Total Fee
Residential	82,972	36%
Commercial	80,512	35%
Industrial	56,726	25%
Institutional	9,111	4%
Public	436	0%
<i>Total</i>	<i>229,757</i>	<i>100%</i>

¹Billing Unit (BU) = 500 square feet of impervious area

Staff and SWAC are recommending a credit schedule that will reduce fees for properties that implement Stormwater BMP's that help to reduce that properties Stormwater Quantity and Quality impacts.

BRIAN SHULL'S INPUT ON THIS QUESTION WOULD BE BENEFICIAL.

Why is the fee based on past and present development, specifically impervious surface area, versus new development or “disturbed” area as some other jurisdictions use?

RESPONSE: This fee is proposed on all impervious area currently in the City and will be imposed on all newly added impervious area in the City. If property owners remove impervious area their fees will be reduced. It makes no distinction between past or present development. Staff believes this is a question that is confusing the Virginia Stormwater Management Program and the MS4 programs. The VSMP regulates new development and does make the distinction between past and future impervious area.

Other jurisdictions that have created a Stormwater Utility fee have used similar approaches as the City, whether it is through an Equivalent Residential Unit (ERU) or Billing Unit, which are both based on impervious area.

How much money will this new fee system raise each year?

RESPONSE: It is expected that the fee will collect roughly \$2 million annually.

What exactly is the new money going to be used for? There are some questions relating to using the new fees to address all stormwater issues, past and present. Also, how much of the new money will go to projects addressing stormwater runoff and treatment versus new staff or soft costs (public education, newsletters)?

RESPONSE: The City is being required by DEQ to meet TMDL pollutant reductions (Chesapeake Bay Cleanup Program). In order to accomplish those requirements the collected \$2 million annually will be distributed as shown:

- *75% used for Capital related items, such as: Capital Projects to meet TMDL requirements (East Market Street Storm Channel, Lucy Simms Stormwater Improvements, Downtown Bioretention Areas), Capital Outlay to meet TMDL requirements (Street and Storm Sewer cleaning equipment), future Partnerships with Property Owners to help the City meet our TMDL requirements, as well as providing fee reductions to the Property Owners.*
- *25% used for MS4 Administration and Permit Compliance (Public Education, Illicit Discharges, City Staff Training), Stormwater and Pollution Reduction Planning, and Utility Fee Administration.*
- *\$500,000 will still be contributed to Stormwater Management from the General Fund through other Public Works maintenance activities.*

Why is it necessary to make the new “fee” superior to property taxes on tax notices to property owners?

RESPONSE: Based on Staff’s research of other Localities nationwide that have implemented a similar fee these are best fee collection practices from those Localities. The other Localities used this format as it helped improve their collection rates.