How to Pay for Green Infrastructure

Jennifer Cotting
University of Maryland
Environmental Finance Center

Khris Dodson
Environmental Finance Center
at Syracuse University
About the EFCs (EFCN)

Environmental Finance Center @ SU

Environmental Finance Center @ UMD
The Environmental Finance Center Network

Applying a financing lens across sectors . . .

- Technical Assistance
- Stormwater
- Green Infrastructure
- Agriculture
- Air Quality
- Climate & Energy
- Sustainability
- Program & Policy Analysis
Traditional Support Strategies

- Property Taxes/General Fund
- Special Assessment Districts or Regional Funding Mechanisms
- Service Fees (including stormwater utilities)
- System Development Charges (SDCs)
- SDCs (also known as connection fees or tie-in charges)
- Grants and Low-Interest Loans
- Types of Stormwater Utilities
The ancillary benefits may outweigh the stormwater benefits!

- Improved streetscapes, walkability
- Increased system capacity, or upgraded infrastructure
- Inter-departmental ‘co-funding’ (combining Parks, DPW, and other funding streams to create a mutually beneficial project)
- Increased property value and/or investment
Green Infrastructure: Financing Perspective

– 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
How are communities paying for stormwater and green infrastructure?
Improving Efficiency

City of Lancaster

SAVE IT!
saveitlancaster.org

Upper Susquehanna Coalition
Dedicated Revenue Streams

Ithaca Stormwater Fee

Chautauqua County Bed Tax

Courtesy Tourchautauqua.com
Engaging the Private Sector

Onondaga County Green Improvement Fund

Shared Permit: Long Creek Watershed, ME
Stormwater Management Plan

1. Inventory hard and natural infrastructure
2. What condition are they in?
3. How critical are they?
4. Where are the gaps?
5. Rank & Prioritize
6. Capital Improvement Plan
7. Asset Advisory Committee
8. Educate-Educate-Educate-Educate
Good condition?
What’s the Impact?
<table>
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<th>Probability</th>
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<th>Minor</th>
<th>Moderate</th>
<th>Major</th>
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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
Green Infrastructure Financing Map

Twenty communities
Diverse drivers, geography, scales, approach
**BEE BRANCH WATERSHED**

**Bee Branch Watershed Flood Mitigation Project**
- A multi-phased, watershed-based plan estimated to prevent over $582 million in damages over the project's 100-year design life.
- 50% of Dubuque's residents live or work in the Bee Branch watershed.

**Bee Branch Creek Restoration Project**
- $85 million investment in a mile-long recreational park connecting Mississippi Riverfront attractions to existing trails and Dubuque's northeast end.
- Which includes: 1000 new trees, more than 85 properties deconstructed.

**Green Alleyways Program**
- $57 million plan that will green more than 245 alleys with $9.4 million in SRF sponsorship funding.
- Adjacent private property owners pay an average of $800 to $1000 of the cost and low-interest, long-term financing and hardship waivers available.

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**DIVERSE & INNOVATIVE FINANCING**

- **SRF Water Resources Restoration Sponsorship**
  - $9.4 million WWTP upgrade requests that offer to sponsor a water quality improvement project receive a reduced interest rate that creates no additional financial burden to the utility for including the project.

- **Iowa Flood Mitigation Program**
  - $98.5 million over 20 years from state funds.
  - Administered by the Iowa Dept of Homeland Security, a portion of state sales tax revenues can be recaptured by communities implementing long-term flood mitigation projects.

- **Stormwater Utility**
  - Currently $5.98 monthly for the average residence and $5.98 for each 2,917 sq ft of impervious surface for non-residential properties. This will gradually be increased to $9 monthly by 2021.
  - Funds from the state flood program are enabling Dubuque to complete this work 30 years faster and will spread needed utility increases over 7 years rather than 1 year.

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**LEVERAGING PRIORITIES**

- Dubuque's green infrastructure approach delivers multiple benefits, reduces implementation costs, makes funding requests more competitive, engages multiple agencies, enables partnerships that expand capacity.

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**DEVELOPED BY THE ENVIRONMENTAL FINANCE CENTER**
**ALL REFERENCES AVAILABLE ON OUR WEBSITE**
**WWW.EFC.UMD.EDU**
**October 2014**
Discussion

How does YOUR community pay for stormwater and green infrastructure?