



City of Park Ridge



August 31, 2015

Stormwater Utility Open House



Purpose of Tonight's Open House

- Explanation of a Stormwater Utility (SWU)
- Learn why a Stormwater Utility is being considered
- Learn how a Stormwater Utility would affect you
- Receive resident feedback
- Understand the process of establishing a Stormwater Utility



Study Process – Public Involvement

1. Open House #1 (8/31/15)
 - Explain SWU concept, need, and preliminary fees by zoning class
 - Answer resident questions
2. City Council Update Presentation
 - Incorporate feedback from Open House
 - Formalize preliminary results and anticipated fees
 - Opportunity for resident input to Council
3. City Council Final Presentation #2
 - Present final study report
 - Council to decide whether to establish Stormwater Utility



What is a Stormwater Utility?

- A Stormwater Utility (SWU) is a **fee** charged to all parcels in the City **based on** their **contribution of stormwater** runoff into the sewer system
 - More runoff = Greater chance of flooding
- An SWU is a fair and **equitable method** of funding stormwater projects



How is a Stormwater Utility Equitable?

- The fee charged to each parcel is based on the runoff it generates, as defined by its impervious area
- More impervious area = bigger contribution to the sewer system = higher stormwater fee
- All properties, including tax exempt properties, are assessed a fee



Why is a Stormwater Utility Being Considered?

- Many expensive infrastructure projects need to be built to address flooding problems throughout the City
- City needs to establish a dedicated funding source to pay for stormwater projects



Why is a Dedicated Funding Source Necessary?

- Paying for projects through the City's General Fund means competing with other priorities such as police, fire, public works, capital improvements, etc.
- Increasing the Sewer and Water fees is not equitable since it is not based on impervious coverage
- Increasing property taxes is not equitable because many tax-exempt properties would not be included



What would a Stormwater Utility Pay For?

- SWU's **can** be used to fund anything related to the stormwater system
 - Stormwater Infrastructure projects
 - Repair/replacement of sewer mains
 - Costs to maintain the existing system, including City personnel
 - Street sweeping
 - Administrative costs for permits, studies, etc.
- However, City has decided that any SWU funds would be used **exclusively for new infrastructure projects**
 - Limits the funds necessary to be collected



How are the fees determined?

- A list of conceptual projects has been developed
 - Projects from Citywide Sewer Study still under discussion (*\$21 million*)
 - Northwest Park, Mayfield Estates
 - Homeowner rebates for private flood control (*\$5 million*)
 - Green Infrastructure projects (*\$3 million*)
 - Stormwater Storage projects (*\$12 million*)
- Costs are estimated for projects
 - Total estimated cost (in 2015 dollars) is **\$41 million**



How are the fees determined?

- Multiple funding scenarios are evaluated (by Speer Financial)
 - Timing/scheduling of projects is developed
 - Municipal Bonds are used to fund projects
 - SWU fees used to pay back bonds
 - Multiple bonding scenarios are considered
- Total program cost is determined
 - Including cost of projects and debt service



How are the fees determined?

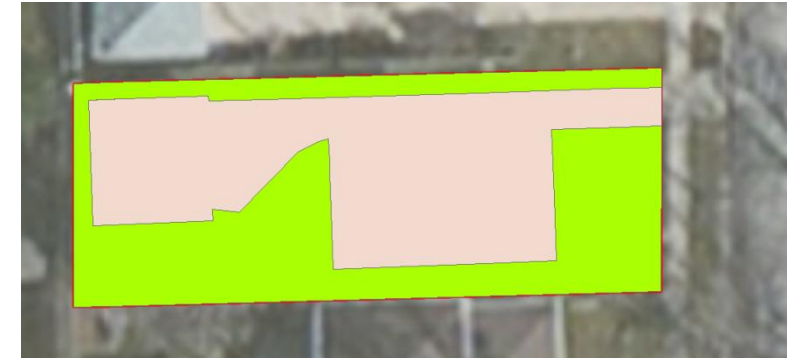
- **Next**, the impervious area of an average residential property in each zoning class (R-1, R-2, etc) is determined



Typical Residential Lot



Pervious Area



Impervious Area

- R-3 Zoning has smallest average impervious area, and is defined as an ***Equivalent Residential Unit (ERU)***
 - 1 ERU = approximately 2,800 square feet



How are the fees determined?

- The ERU is determined for each Zoning Classification
 - **R-1** residential = **1.4** ERU (*1.4x the average impervious area*)
 - **R-2** residential = **1.1** ERU (*1.1x the average impervious area*)
 - **R-3** residential = **1** ERU (*1x the average impervious area*)
 - **R-4** residential = **3** ERU (*3x the average impervious area*)
 - **R-5** residential = **8** ERU (*8x the average impervious area*)
 - Non-residential = **4** ERU (*4x the average impervious area*)
- Before a SWU fee would be implemented, the actual impervious area for every parcel would be determined so that fees are not based on the average



How are the fees determined?

- Every parcel in the City is given an ERU value
- The total ERU for the City is added up
 - Park Ridge has approximately 18,000 ERU
- In simple terms, the total cost of the stormwater program is divided by the number of ERUs to establish the cost per ERU

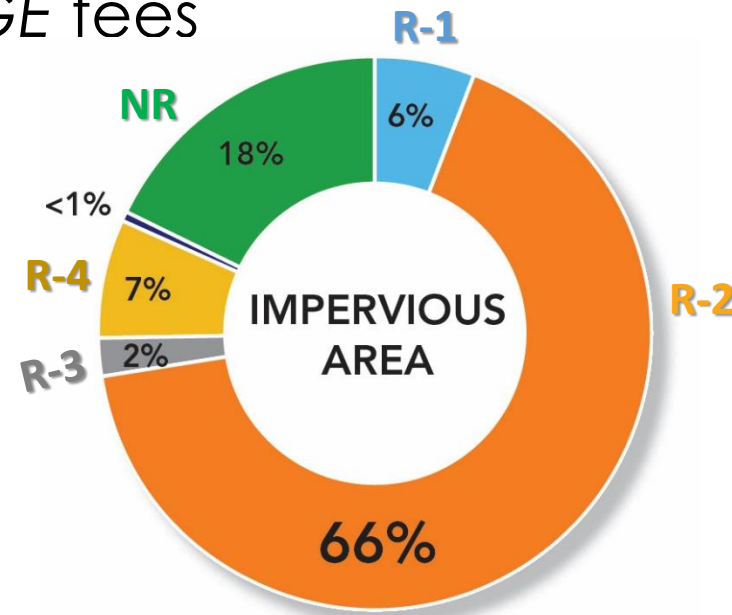
$$\text{1 ERU Cost} = \text{Total Program Cost} / \text{Total ERUs} / \# \text{ of Years}$$

- The fee for each parcel will be based on its individual impervious area



What will it cost?

- The SWU Feasibility study is in the preliminary stage
 - Preliminary fees are based on *average* impervious area, not actual
 - Any changes to the list of projects or assumed costs for the program would affect the calculated fees
- The preliminary rate for 1 ERU is \$11 per month
- Therefore, the preliminary *AVERGAGE* fees by zoning type are:
 - R-1 = 1.4 ERU = \$15 per month
 - R-2 = 1.1 ERU = \$12 per month
 - R-3 = 1 ERU = \$11 per month
 - R-4 = 3 ERU = \$33 per month
 - R-5 = 8 ERU = \$88 per month
 - Non-residential will vary significantly



Example Calculations

- Example #1 – R-1 Residential (1900 Block of Fenton)



- Total Parcel Area = 11,800 ft²
- Pervious Area = 7,886 ft²
- Impervious Area = 3,914 ft²

$$1 \text{ ERU} = 2,800 \text{ ft}^2$$

$$\text{Example ERU} = 3,914 / 2,800 = 1.4 \text{ ERU}$$

$$\text{Preliminary SWU Fee} = 1.4 \times \$11 = \$15.40/\text{month}$$



Example Calculations

- Example #1 – R-2 Residential (300 Block N. Delphia)



- Total Parcel Area = 6,620 ft²
- Pervious Area = 3,250 ft²
- Impervious Area = 3,370 ft²

1 ERU = 2,800 ft²

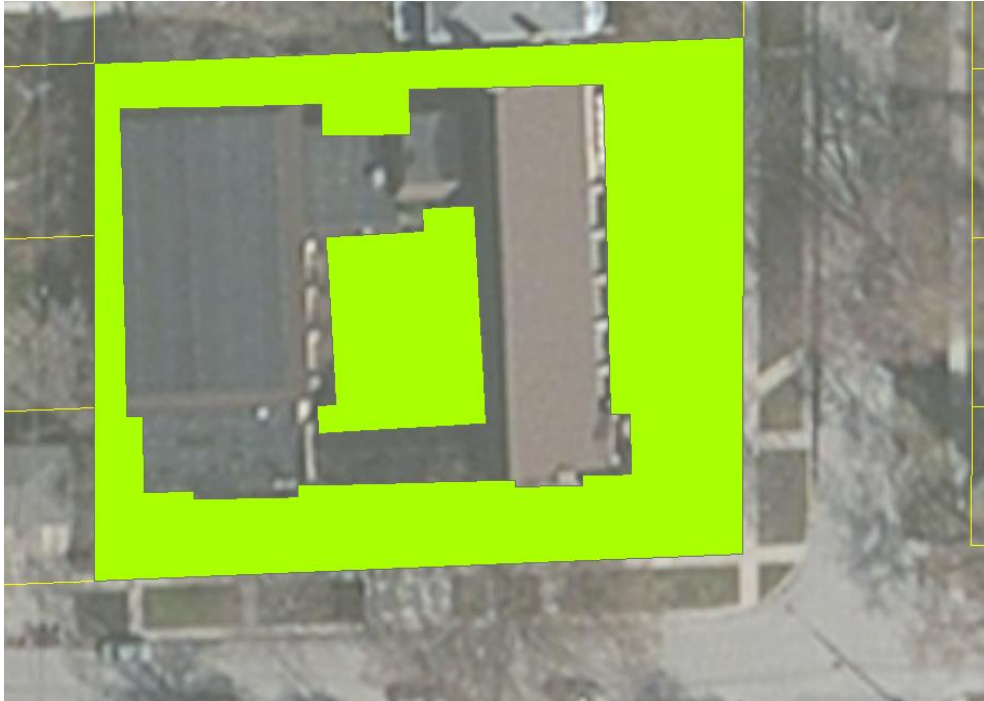
Example ERU = 3,370 / 2,800 = 1.2 ERU

Preliminary SWU Fee = 1.2 x \$11 = \$13.20/month



Example Calculations

- Example #2 – Non-residential – Church Property



- Total Parcel Area = 28,000 ft²
- Pervious Area = 15,123 ft²
- Impervious Area = 12,877 ft²

1 ERU = 2,800 ft²

Example ERU = $12,877 / 2,800 = 4.6$ ERU

Preliminary SWU Fee = $4.6 \times \$11 = \$50.60/\text{month}$



Example Calculations

- Example #2 – Non-residential – School Property



- Total Parcel Area = 438,555 ft²
- Pervious Area = 326,106 ft²
- Impervious Area = 112,449 ft²

$$1 \text{ ERU} = 2,800 \text{ ft}^2$$

$$\text{Example ERU} = 112,449 / 2,800 = 40.2 \text{ ERU}$$

$$\text{Preliminary SWU Fee} = 40.2 \times \$11 = \$442/\text{month}$$



Example Calculations

- Example #2 – Non-residential – Commercial Property



- Total Parcel Area = 206,820 ft²
- Pervious Area = 34,598 ft²
- Impervious Area = 172,222 ft²

1 ERU = 2,800 ft²

Example ERU = 172,222 / 2,800 = 61.5 ERU

Preliminary SWU Fee = 61.5 x \$11 = \$676/month



Example Calculations

- Example #2 – Non-residential – Commercial Property



- Total Parcel Area = 29,069 ft²
- Pervious Area = 7,361 ft²
- Impervious Area = 21,708 ft²

$$1 \text{ ERU} = 2,800 \text{ ft}^2$$

$$\text{Example ERU} = 21,708 / 2,800 = 7.8 \text{ ERU}$$

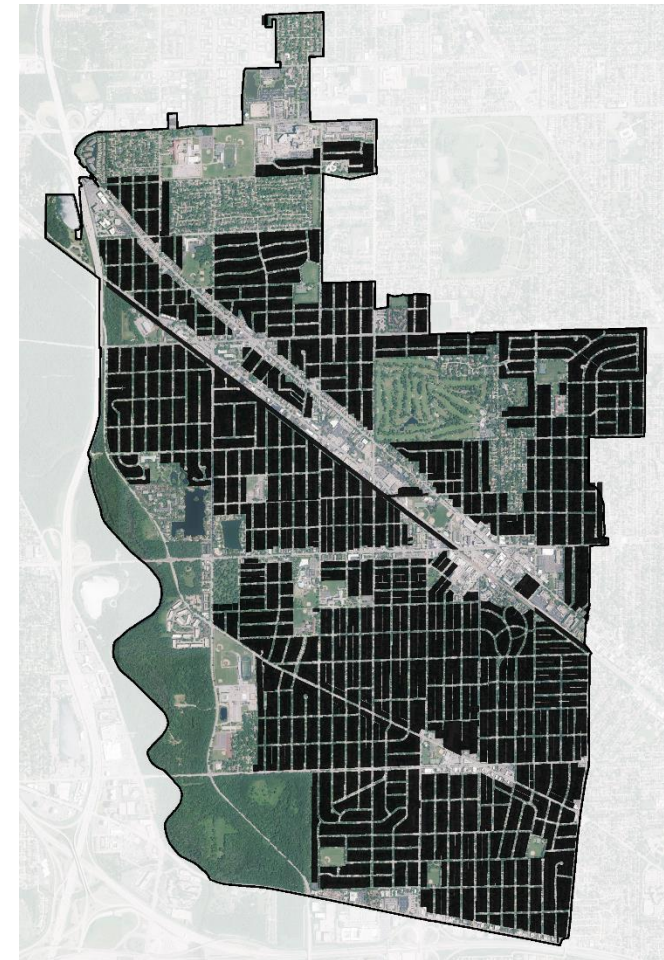
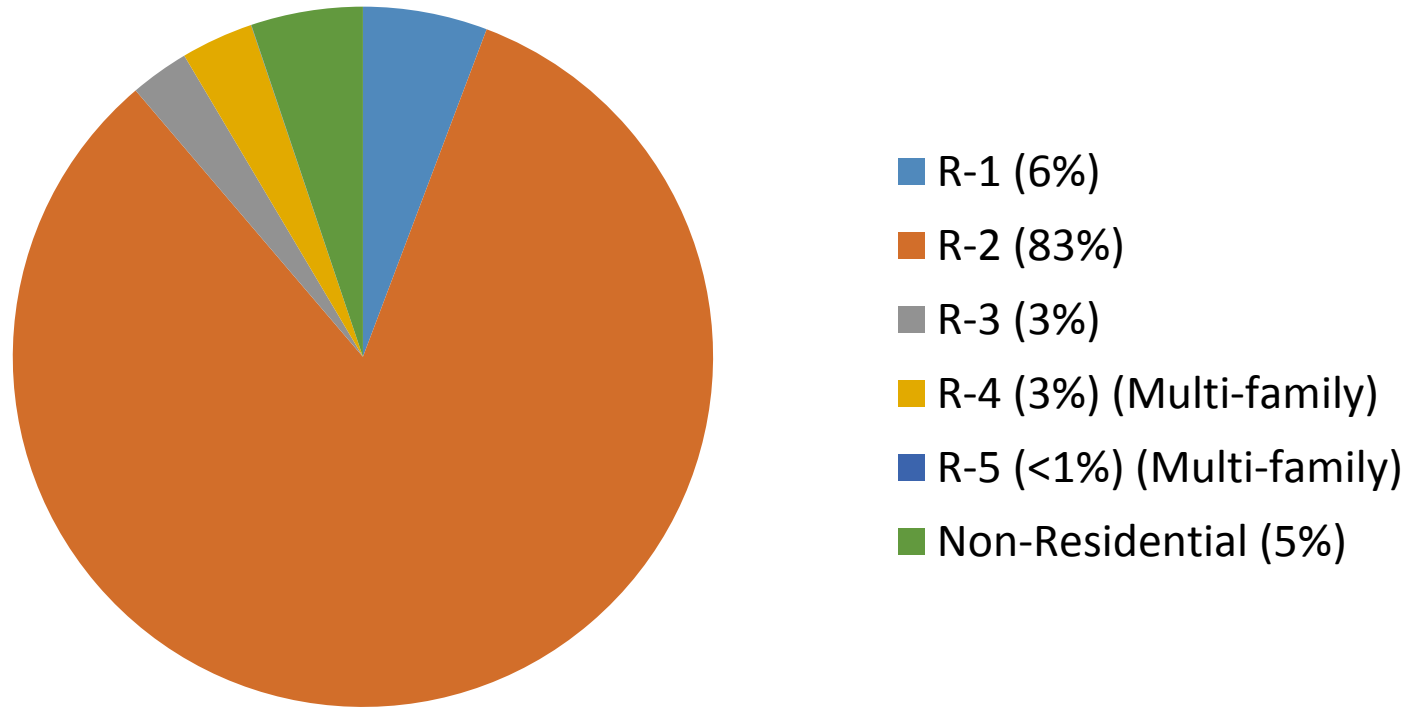
$$\text{Preliminary SWU Fee} = 7.8 \times \$11 = \$86/\text{month}$$



What is my zoning class?

- You can look up your address tonight to determine your zoning class

Parcels in City of Park Ridge



Properties with R-2 Zoning



Format for Tonight's Open House

- Representatives from City, CBBEL, Speer Financial, and Metro Strategies are here to answer questions
- Informational materials provided at various stations
- Visit the station with the exhibit boards to look up zoning classification
- Presentation will continue to play and will be available on the City's website

