

Exploring Green Infrastructure Funding & Financing Options

Stormwater Committee Meeting
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Project Capture Area

Site Description:
This project concept consists of two offline subsurface Orange Memorial Park. The park is a prime location to capture project and captures stormwater from large p Creek watershed and multiple city and county jurisdic capture area of the project is roughly 6,300 acres that cities of South San Francisco, Colma, and Daly City and Mateo County. A stormwater capture project at this lo jurisdictions in meeting stormwater permit complianc the lower reaches of Colma Creek. The project would reductions of high-priority pollutants discharged to Sa TMDLs that require reductions of mercury and PCB loa by recharging the Westside groundwater basin, and p enhancement through integration with the recreation. With the incorporation of a hydrodynamic separator fr diverted water from the creek, the project also provid transported through the creek to the San Francisco Ba Park Master Plan (2007) was referenced in this design is consistent with the goals of future development for

Although not specifically included within this project c provides the opportunity for future integration of Low within parking lots of the park to provide further com opportunities for public education of LID and other pr

Drainage Characteristics	
Capture Area (acres)	6,300
Impervious Area (%)	38
Dominant Land Use	Residential
Jurisdictions	South San Francisco, Colm, Unincorporated San Mateo

City of South San Francisco
Orange Ave, South San Francisco, CA 94080
39° 13.1' N / 122° 25' 35.4" W
Creek

Regional Stormwater Capture Project (South San Francisco)

Orange Memorial Park: street view facing upstream of Colma Creek



Agenda

- Overview: Regional Stormwater Management
- Primary Challenge: Funding GSI Investments
- Funding & Financing Options
- Stormwater Committee Input on Next Steps
- Q&A



REGIONAL-SCALE STORMWATER MANAGEMENT - OVERVIEW -

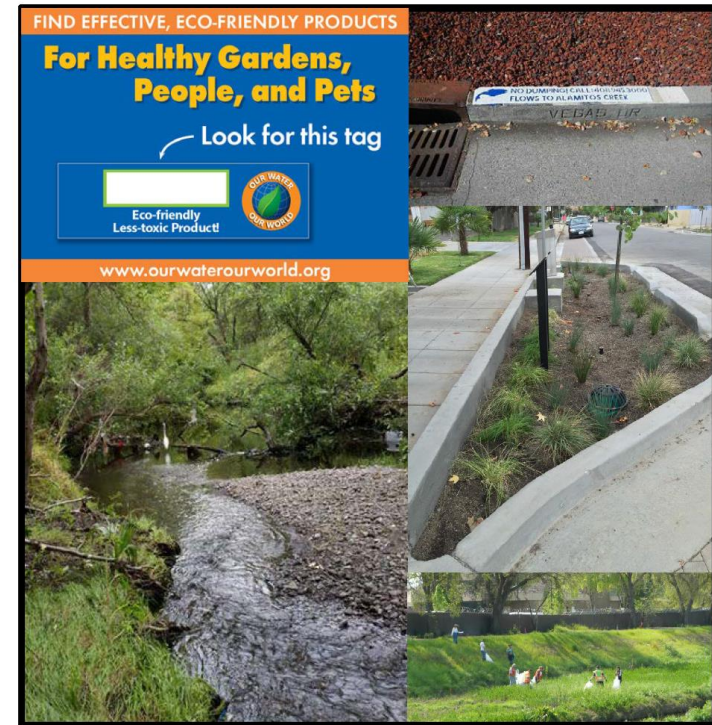
Regulatory Requirements

Municipal Regional Permit

- New Development LID/GSI
- Tentative Order GSI Retrofit
- Numeric Requirements
- PCBs and Mercury TMDL
- Other TMDLs and pollutant reduction goals

California Regional Water Quality Control Board
San Francisco Bay Region
Municipal Regional Stormwater NPDES Permit

Order No. R2-2015-0049
NPDES Permit No. CAS612008
November 19, 2015



Multi-Scale Stormwater Management

Parcel

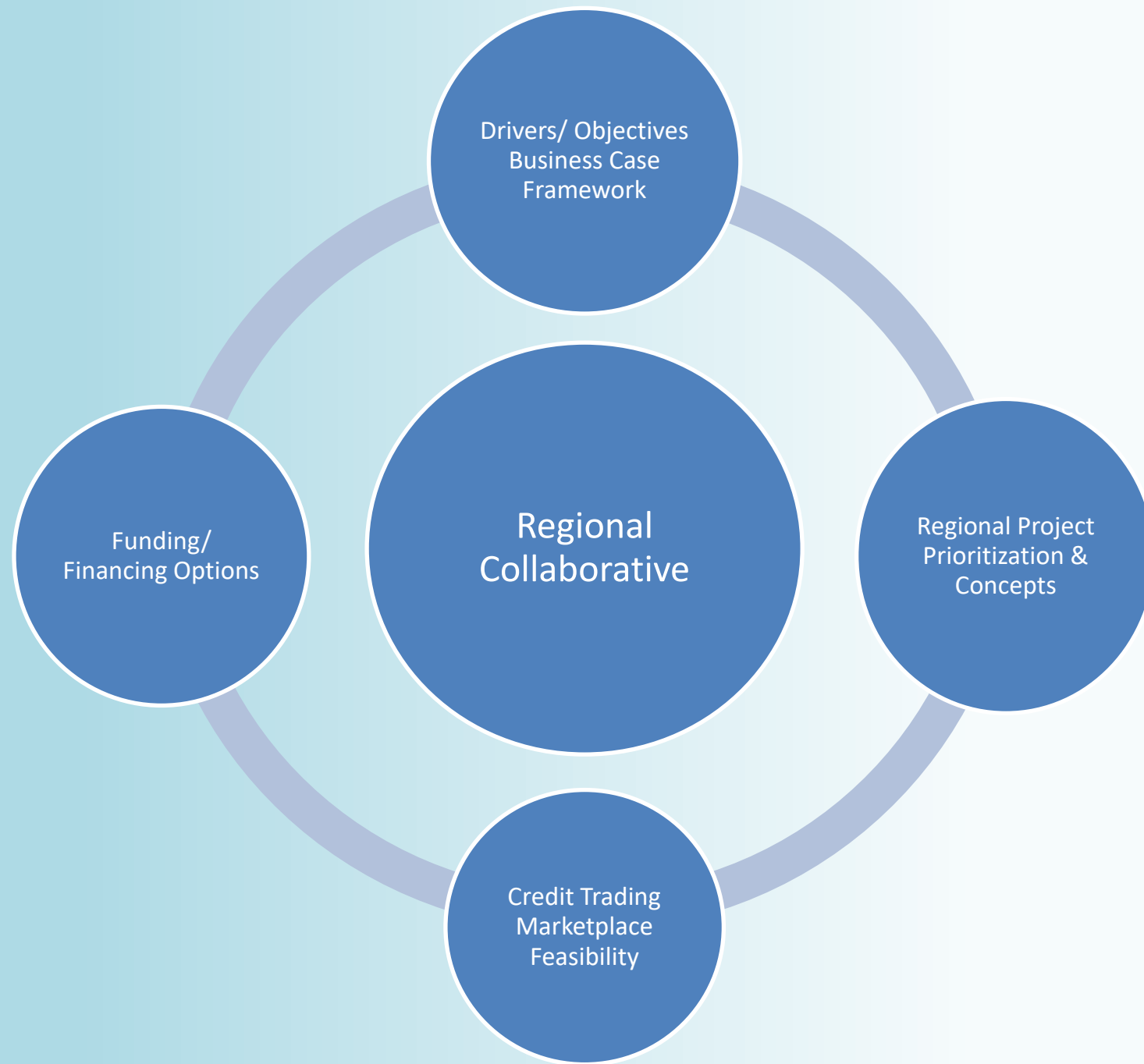


Street



Regional





A PRIMARY CHALLENGE - HOW TO FUND GSI INVESTMENTS -

Funding Capital & Maintenance

Capital Construction Costs



Ongoing O&M Costs



Capital Investments

Funding & Financing Capital Costs – Variety of Options



- Stormwater & other fees
- Bonds
- Enhanced Infrastructure Financing District
- State Revolving Fund loans
- WIFIA loans

Ongoing O&M

Funding Maintenance Costs – Fewer Options



- Stormwater fee
- Water & sewer rates

Stormwater Fees

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➤ Los Ang

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➤ Alamed



Nationwide: >1,800 stormwater utilities as of 2021

([Western Kentucky University Stormwater Utility Survey 2021](#))

Preview: Stormwater Committee Input

Which mix of funding and financing options should be explored further?

Further exploration:

- 1) What is C/CAG's role on identified funding and financing approaches?
- 2) What are the experiences of other cities, counties, districts that have taken these approaches?

POTENTIAL SOLUTIONS - FUNDING & FINANCING OPTIONS -

Hypo: Investing in Regional GSI

Hypothetical spending plan over the next 20 years

- \$150M in regional-scale
- \$28.5M in parcel-scale
- \$71M in O&M

Total = \$250M

Exploring PayGo vs. Debt

- Assume \$10M in annual revenue
- PayGo – shortfall to meet spending plan until year 12
- Debt – finance \$178.5M in capital costs meets spending plan in year 1

Exploring a Portfolio of Funding & Financing Options

Funding Options

- Non-balloted stormwater fees
- Enhanced infrastructure financing district/tax increment revenue
- Water rates
- Wastewater rates

Financing Options

- Revenue bonds
- General obligation bonds
- Clean Water State Revolving Fund Loans
- Water Infrastructure Finance and Innovation Act Loans

Option 1 - Preferred

Explore a Non-balloted Stormwater Fee Paired with an Enhanced Infrastructure Financing District

Advantages

- Funds ongoing O&M
- Secures future financing mechanisms, e.g., bonds and loans, to pay for capital investments
- EIFD tax increment revenues supplement stormwater fees for capital projects
- EIFDs have additional bonding authorities
- Potentially less expensive than a balloted measure
- Potentially adopted on a shorter timeline than a balloted measure

Challenges

- A new approach
- Needs early involvement of Prop 218 legal counsel to ensure thorough and transparent review

Option 2

Explore a Balloted Stormwater Fee

Advantages

- Funds ongoing O&M
- Secures future financing mechanisms, e.g., bonds and loans, to pay for capital investments
- Potential to coordinate with Flood and Sea Level Rise Resiliency District's ballot measure

Challenges

- May be more expensive than non-balloted fee
- May take longer to adopt compared with a non-balloted fee
- Capital projects would not have supplemental revenue from tax increment

Option 3

Develop an Alternative Funding & Financing Mix

Possible Alternatives

- Balloted fee paired with EIFD
- Balloted fee paired with water and/or wastewater rates
- Non-balloted fee
- Non-balloted fee paired with water and/or wastewater rates
- Water and/or wastewater rates
- EIFD

NEXT STEPS

- EXPLORING FURTHER -

Spending Plan Considerations



- Is this the level of spending that is desired/needed?
- Can you raise the level of revenue needed?
- Can you capture 1% of tax increment (or more) from local cities to have a long term sustainable source of revenue that grows over time?

Preview: Stormwater Committee Input

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QUESTIONS?