



Welcome!

- This is a stakeholder meeting for Regional Stormwater Management Program (RSMP) and Urban Watershed Structural Control Fund (UWSCF) Payment Structure Updates
- Please sign in and take a handout
- We will have time for questions after the presentation



**Regional Stormwater
Management Program
Participation Payment
and
Urban Watersheds Structural
Control Fund Payment
Methodology Modifications**

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Agenda

- Introduction and Study Overview
- Payment Study Results and Recommendations
- Proposed Payment Structure Changes
- Next Steps
- Q&A



Introduction

- Alternative compliance through payment in lieu of on-site controls:
 - Detention (RSMP)
 - Water quality improvement facilities (UWSCF)
- Payments are meant to reflect the approximate cost of on-site controls
- Revenues used for regional facilities and other structural improvements
- Previous update occurred in 2002
- Recently completed study recommends updated payment structures



Study Overview

- Recent construction cost and land cost data
- Changes to land and construction costs
 - Payment structure recommendations
- Benchmarking of Austin's RSMP against similar programs



Construction Costs

- Adjusted costs associated with projects used in 2002 study to 2018 values
- Collected additional stormwater control construction cost data,
 - some provided by Doucet+Chan,
 - others provided by WPD for accepted controls
- Developed updated cost curves (dollars per acre of impervious cover)



Land Costs

- Collected data of actual real estate sales to:
 - Develop descriptive statistics
 - Define alternatives to the current land cap values
- Re-evaluated use of appraisal district land costs
- Additional data from constructed controls
 - Validated assumption of 5% of total site area for a detention facility
 - Justified change from 5% to 3% for water quality facilities



Cost Indices

- Reviewed options for cost indices for construction costs
 - Consumer Price Index for all Urban Consumers
 - Engineering News-Record Construction Cost Index (used currently)
- Land Cost Considerations
 - Travis Central Appraisal District annual, overall appraisal roll growth, as a percent change



Study Results and Recommendations - RSMP CCC

- Update the CCC structure
 - Combine Commercial/Multi-family and Single-family rate structures
- ENR CCI as an annual inflation adjustment to the Construction Cost Component (CCC)
 - Adjustment factor baseline set to 2018 (from 2002)



Study Results and Recommendations – RSMP LCC

- Replace static land value cap with cap of 80% of the appraised land value
- Apply a one-time Impervious Cover Adjustment Factor (ICAF)
- Continue use of the assumption of 5% of the total site area as the area required for a detention facility



Highlights of Proposed Changes – Construction Cost Component



- Update rate structures for all land uses
- Adjustment of Single-Family Residential rate structure from Proposed Combined curve
- Use of Proposed Combined rate structure for Commercial/Multi-family/Mixed-use
- Update ENR CCI Adjustment Factor with 2018 baseline



Highlights of Proposed Changes –

Land Cost Component



- Percentage of appraised land value (80%) rather than straight appraised land value with static cap
- Adjustment factor for relative impervious cover (from Drainage Charge calculation) added
 - The ICAF will only be applied to SF Residential and other sites that have a proposed impervious cover less than the weighted city average of 52.3%



Revised RSMP CCC Rate Structure

	Increase in Impervious Cover (acres)		Structure from 2002 Report		2002 Structure Adjusted to FY19 Values		Structure from 2018 Report with Revised Residential First Acre	
	From	To	Commercial	Residential	Current Commercial (Adjusted)	Current Residential (Adjusted)	Proposed Commercial	Proposed Residential
A1	0	1	\$60,000	\$35,000	\$101,991	\$59,495	\$129,000	\$103,000
A2	1.01	2	\$18,000	\$15,000	\$30,597	\$25,498	\$70,000	\$70,000
A3	2.01	5	\$8,000	\$10,000	\$13,599	\$16,998	\$44,000	\$44,000
A4	5.01	10	\$6,000	\$7,000	\$10,199	\$11,899	\$29,000	\$29,000
A5	10.01	20	\$5,000	\$5,000	\$8,499	\$8,499	\$20,000	\$20,000
A6	20.01	50	\$4,000	\$3,000	\$6,799	\$5,100	\$12,000	\$12,000
A7	50.01	100	\$2,500	\$2,000	\$4,250	\$3,400	\$8,000	\$8,000
A8	100.01	>	\$2,500	\$1,500	\$4,250	\$2,550	\$4,000	\$4,000



RSMP Calculation – Construction Cost Component

- CCC: each additional acre of impervious cover is multiplied by the updated rate structure
- ENR AF: the CCC subtotal is multiplied by an adjustment factor to account for changes in construction costs



RSMP Calculation – Land Cost Component

- LCC: $(\text{Value per acre}) * 80\% * 5\% * (\text{Land Cost Area}) * \text{ICAF}$
 - Value per acre is the Land Appraisal Value divided by the appraisal land area
 - Land Cost Area is the Total Site Area minus any deductible Land Area (in acres)
 - 80% is the cap of the land value
 - 5% is the assumed site area for detention
- ICAF: adjustment factor for lower-than-average relative impervious cover



Commercial RSMP Example

Total Site Area (acres)	2.0			
	Assume 0% Impervious		Assume Existing Impervious	
	Existing	Proposed	Existing	Proposed
Impervious Cover (%)	0%	80%	30%	80%
Impervious Cover (acres)	0	1.6	0.6	1.6
Land Appraisal (\$/acre)	\$250,000			
ENR CCI AF (CCC)	1.6998	1.0000	1.6998	1.0000
I.C. AF (LCC)	n/a	1.0000	n/a	1.000
	Current	Proposed	Current	Proposed
Land Value (\$/acre)	\$120,000	\$200,000	\$120,000	\$200,000
Construction Cost Component	\$120,346	\$171,000	\$101,988	\$129,000
Land Cost Component	\$12,000	\$20,000	\$12,000	\$20,000
Total	\$120,346	\$191,000	\$113,988	\$149,000



Multi-family/Mixed Use RSMP Example

Total Site Area (acres)	0.5			
	Assume 0% Impervious		Assume Existing Impervious	
	Existing	Proposed	Existing	Proposed
Impervious Cover (%)	0%	90%	50%	90%
Impervious Cover (acres)	0	0.45	0.25	0.45
Land Appraisal (\$/acre)	\$2,000,000			
2018 ENR CCI AF (CCC)	1.6998	1.0000	1.6998	1.0000
I.C. AF (LCC)	n/a	1.0000	n/a	1.0000
	Current	Proposed	Current	Proposed
Land Value (\$/acre)	\$120,000	\$1,600,000	\$120,000	\$1,600,000
Construction Cost Component	\$45,895	\$58,050	\$20,398	\$25,800
Land Cost Component	\$3,000	\$40,000	\$3,000	\$40,000
Total	\$48,895	\$98,050	\$23,398	\$65,800



Single Family (large development) RSMP Example



Total Site Area (acres)	60.0				
	Assume 0% Impervious			Assume Existing Impervious	
	Existing	Proposed	Report	Existing	Proposed
Impervious Cover (%)	0%	50%	50%	15%	50%
Impervious Cover (acres)	0	30	30	18	30
Land Appraisal (\$/acre)	\$150,000				
2018 ENR CCI AF (CCC)	1.6998	1.0000	1.0000	1.6998	1.0000
I.C. AF (LCC)	n/a	0.9646	0.9646	n/a	0.9646
	Current	Proposed	Report	Current	Proposed
Land Value (\$/acre)	\$40,000	\$120,000	\$120,000	\$40,000	\$120,000
Construction Cost Component	\$331,461	\$770,000	\$796,000	\$285,566	\$662,000
Land Cost Component	\$120,000	\$347,238	\$347,238	\$120,000	\$347,238
Total	\$451,461	\$1,117,238	\$1,143,238	\$405,566	\$1,009,238



Single Family (small resubdivision)



RSMP Example

Total Site Area (acres)	0.5				
	Assume 0% Impervious			Assume Existing Impervious	
	Existing	Proposed	Report	Existing	Proposed
Impervious Cover (%)	0%	45%	45%	30%	45%
Impervious Cover (acres)	0	0.225	0.225	0.075	0.225
Land Appraisal (\$/acre)	\$500,000				
2018 ENR CCI AF (CCC)	1.6998	1.0000	1.0000	1.6998	1.0000
I.C. AF (LCC)	n/a	0.8874	0.8874	n/a	0.8874
	Current	Proposed	Report	Current	Proposed
Land Value (\$/acre)	\$40,000	\$400,000	\$400,000	\$40,000	\$400,000
Construction Cost Component	\$13,386	\$23,175	\$29,025	\$4,462	\$9,675
Land Cost Component	\$1,000	\$8,874	\$8,874	\$1,000	\$8,874
Total	\$14,386	\$32,049	\$37,899	\$5,462	\$18,549



Study Results and Recommendations – UWSCF

- Update the Site Impervious Cover Component (SICC) structure
- ENR CCI as an annual inflation adjustment to the SICC
- No changes to the Building Component
- Update Site Area Component (SAC) to reflect lower area assumed for WQ controls on-site
- Apply a land value cap of 80% to appraised land value



Highlights of Changes – Site Impervious Cover Component

- Update rate structure for all land uses
 - Break structure into more acre-groups
- Continue single rate structure for all land uses



Proposed UWSCF SICCC Rate Structure

	Impervious Acres		Cost per impervious acre	
	From	To	Existing CO/MF/MU/SF*	Proposed CO/MF/MU/SF
A1	0	1	\$ 52,614	\$114,000
A2	1.01	2	\$ 29,595	\$58,000
A3	2.01	5	\$ 18,086	\$34,000
A3/A4	5.01	10	\$ 18,086	\$21,000
A4/A5	10.01	20	\$ 13,153	\$14,000
A5/A6	20.01	and greater	\$ 9,865	\$8,000



Highlights of Changes – Site Area Component

- Based on percentage of appraised land value (80%) rather than static cap per acre
- Lower area (3% instead of 5%) assumed for WQ controls on-site
- Site Area Component calculation includes specific site information for obtaining \$/acre land value – similar to RSMP's LCC



UWSCF Calculation – Site Impervious Cover Component

- $(SICC * ENR CCI AF) + Building Component + SAC$
- SICC: each additional acre of impervious cover is multiplied by the updated rate structure
- ENR AF: the SICC subtotal is multiplied by an adjustment factor to account for changes in construction costs



UWSCF Calculation – Building and Site Area Components

- *Building Component = \$0.10/SF * (Building SF)*
- $SAC = 80\% * (\text{Appraised Land Value} / \text{Appraised Land Area}) * 3\% * \text{Site Area}$
 - 80% is the cap of the land value
 - 3% is the assumed site area for WQ facility
- Building Component might be removed from the calculation



Commercial/ MF/ MU – UWSCF

Example

Redeveloped Impervious (acres)	0.25	50% Existing Impervious
New Impervious (acres)	0.2	
Total Impervious (acres)	0.45	90% Proposed Impervious
R/T	0.316	
Building Area (SF)	72,000	
Commercial/Multifamily Site (acres)	0.500	this is LOC if greater than site area
Commercial/Multifamily Site (\$)	\$6,000	
Appraised Land Value (\$)		\$2,000,000
Appraised Land Area (acres)		0.5
	Current	Proposed Combined
Site Impervious Cover Component	\$24,477	\$51,300
Building Component	\$7,200	\$7,200
Site Area Component	\$3,000	\$48,000
Total	\$34,677	\$106,500



Commercial/ MF/ MU – UWSCF

Example

Redeveloped Impervious (acres)	0	0% Existing Impervious
New Impervious (acres)	0.4	
Total Impervious (acres)	0.4	90% Proposed Impervious
R/T	0.000	
Building Area (SF)	72,000	e.g. 12,000 SF building with 6 floors
Commercial/Multifamily Site (acres)	0.500	this is LOC if greater than site area
Commercial/Multifamily Site (\$)	\$6,000	
Appraised Land Value (\$)		\$2,000,000
Appraised Land Area (acres)		0.5
	Current	Proposed Combined
Site Impervious Cover Component	\$21,757	\$51,300
Building Component	\$7,200	\$7,200
Site Area Component	\$3,000	\$48,000
Total	\$31,957	\$106,500



Single Family – UWSCF Example

Redeveloped Impervious (acres)	0.15	30% Existing Impervious
New Impervious (acres)	0.075	
Total Impervious (acres)	0.225	45% Proposed Impervious
R/T	0.400	
Building Area (SF)	1,500	
Single Family or Duplex Site (acres)	0.500	
Single Family or Duplex Site (\$)	\$4,000	
Appraised Land Value (\$)		\$500,000
Appraised Land Area (acres)		0.5
Component	Current	Proposed
Site Impervious Cover Component	\$11,838	\$25,650
Building Component	\$150	\$150
Site Area Component	\$2,000	\$12,000
Total	\$13,988	\$37,800



Next Steps

- Potential changes due to stakeholder feedback and discussions
- Planning for proposed rates to become effective for FY2021
- Rules posting for DCM/ECM changes to reflect these proposed rates
- Update payment calculators with appropriate CCI adjustment factor (reset baseline from 2002 to 2018 and adjust to 2019 in calculator).



Questions?

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