



CITY OF HAGERSTOWN, MARYLAND

Engineering Department

September 20, 2022

TO: Scott Nicewarner, City Administrator
FROM: Rodney Tissue, City Engineer *Ron*
RE: **Stormwater Incentive Program – Surrey School Redevelopment**

In July, staff presented this project as our first request to utilize our new Stormwater Protection Program's large-scale incentive fund for this project. A full description of the work and program is attached in Jim Bender's July 19, 2022 memo.

Between the pavement removal, oversizing their bioretention areas, and the green roofs, they are "treating" about 0.5 acres, which puts the cost per treated acre at \$130,000. On the continuum of costs, this is "high middle" as some practices are as low as \$20,000 per acres treated but green street projects are over \$200,000 per acre treated. This is just one more way of meeting our MS4 permit requirements.

Staff is recommending that we proceed with providing this incentive that we would reimburse the developer *upon the completion* of all work. The City's share of the cost is \$65,357 funded by our Stormwater Protection Program.

We request the City Council approve this agreement by Resolution at the September 27 Regular Session.

Attachments: Agreement
July 19, 2022 memo

CC: Michelle Hepburn, Ann Rotz, Jim Bender, Fred Frederick



CITY OF HAGERSTOWN, MARYLAND

Engineering Department

Large Scale Stormwater Incentive Commercial/Industrial/Institutional Property Owner Reimbursement Agreement

This Agreement ("Agreement") is made on the 12th day of September, 2022, by Surrey LLC hereinafter referred to as the "Property Owner," and the City of Hagerstown, a body corporate and politic, hereinafter referred to as the "City," to and for the benefit of the City and its residents.

This Agreement establishes the understanding between the City and the Property Owner regarding the terms and conditions governing the Property Owner's participation in the City's Large-Scale Incentive Program ("Program"). This incentive program is part of the City's overall Stormwater Protection Program with the stated goal of improving the quality of stormwater runoff.

The Agreement covers a large-scale stormwater management or impervious area reduction project ("Project") located at the following address: 535 Summit Ave, Hagerstown, Maryland 21740. This property is owned by the Property Owner. The property is covered under tax account # 029735.

In consideration of their mutual promises and commitments, the City and the Property Owner hereby mutually agree as follows:

The Property Owner shall implement the following large-scale stormwater management techniques or impervious area reductions as part of the Project and described as follows:

Surrey Hill Hotel - Site Plan and related approved stormwater and water quality facilities.

The Project is more fully described in the attached Drainage Area Map and Design Plan prepared by Frederick, Seibert & Associates, Inc., both of which are attached hereto and incorporated herein. The Project is estimated to cost \$20,000,000 and to be completed by March 2024. Upon presentation of an As-Built Drawing of the Project by a licensed Maryland engineer and confirmation that the Project meets design specifications, the City shall reimburse the Property Owner in the amount of \$65,357.00.

The Property Owner has contracted with BLD.US Architects to implement and construct the Project.

The Property Owner is responsible for choosing an appropriate location for the Project with respect to utility conflicts and drainage paths. The Project should be designed based on relevant guidance and should adhere to the eligibility criteria as specified in the Program documentation. The Property Owner is responsible for obtaining all necessary permits and constructing the Project according to all appropriate regulations and standards.

Engineering Department

1 East Franklin Street • Hagerstown, MD 21740-4817

Ph: 301.739.8577 Ext. 125

The Property Owner will operate and maintain the Project in accordance with the operation and maintenance procedures identified in the Program and as more fully set forth in a maintenance agreement to be entered into by the parties.

The Property Owner grants the City access to the Project to place promotional signage on their property, take and use photographs, and do follow up evaluations. The City may make public the results of any evaluations or data collection, including photographs, images, or recordings undertaken by the City in connection with the Program.

The Property Owner assumes the risk and agrees to hold harmless the City for any claim relating to the installation and operation of the Project. The Property Owner, by participating in the Program, hereby releases the City and its agents, officers, directors, employees, or any other persons acting on its behalf from any liability for damages or injuries resulting from its participation in the Program. The Property Owner agrees to indemnify and hold the City harmless for any injuries, damages, or claims arising from the Program.

FOR PROPERTY OWNER	
Property Owner Signature: <i>Valerie Sanderlin, Managing Member</i>	
Print or Type Name: Surrey LLC	Date: 9/12/2022
Engineer's Representative Signature: <i>[Signature]</i>	
Print or Type Name: <i>Fred Frankel / FSA</i>	Date: <i>9-12-2022</i>

FOR CITY OF HAGERSTOWN	
Mayor's Signature:	
Print or Type Name:	Date:

Return completed application by mail to: City Engineer, City Hall, 1 East
Franklin Street, Hagerstown, Maryland 21740, or email to:
stormwaterfee@hagerstownmd.org.
For more information, call 301.739.8577 x125.



CITY OF HAGERSTOWN, MARYLAND

Department of Engineering

July 19, 2022

TO: Scott Nicewarner, City Administrator

FROM: Jim Bender, Assistant City Engineer JMB

RE: Stormwater Incentive Program – Surrey School redevelopment

1. Background

As the Council is aware, a development group (Surrey LLC) has plans to renovate the Surrey School property and convert it to a boutique hotel/restaurant facility. Through their preliminary design of the site plan for the development, they have proposed incorporating features and facilities that go beyond the requirements of the City's Stormwater Management Ordinance, and that will enable the City to take credit for in meeting its MS4 permit requirements. The development group has requested that the City consider their project for a partial reimbursement of these "extra" costs in accordance with the Stormwater Protection Program's Incentive Policy. That program, described in the Stormwater Credit Manual, provides a means for the City to partner with property owners by helping to fund projects that provide more stormwater management than what is required by the City's Stormwater Ordinance.

2. City Council action requested

Review the proposed request, and determine whether or not to approve a reimbursement agreement in the amount of \$65,357 with the development group. If the Council agrees, staff will work with the City Attorney to draft the agreement. Staff will be present at the work session to discuss.

3. Discussion

Surrey LLC made a preliminary presentation to the Council to describe their development plan. One concern raised by the Council was the potential impact that the facility would have on parking availability on Summit Avenue. In response, Surrey LLC revised their concept plan to add more off-street parking on their site to lessen the impact on the neighborhood. They have also incorporated other features to provide stormwater management that goes beyond the requirements of the City's Ordinance.

The Stormwater Protection Program's Incentive Policy (attached) provides a process for the City to partner with property owners on projects where the City can claim water quality credits that help to meet the requirements of our MS4 stormwater permit. The City Engineer evaluates requests for incentives twice each year, and ranks the requests against each other in order to determine if they qualify for reimbursement. The annual budget for the Stormwater Protection Program sets aside \$250,000 for these incentive reimbursements. Surrey LLC's request was the only one received during the latest review period.

In this case, Surrey LLC is removing existing pavement on the west (City Park) side of the property, installing a "green roof" system on part of the proposed building addition, enlarging the proposed water quality treatment facility on the east (Summit Avenue) side of the property, and making storm drainage improvements along Summit Avenue. Surrey LLC would not necessarily have to do any of these things in order to comply with the City's Ordinance, but is willing to do them as part of their redevelopment of the property. The City can take credit for the decrease in impervious area and the increased water quality treatment when it reports progress to the Maryland Department of the Environment in its MS4 annual report.

As shown on the attached cost estimate, the value of these "extra" improvements is \$130,714. The Incentive Policy contemplates a 50% match for eligible expenses; for this project, the match would be \$65,357. The way that the policy is structured, Surrey LLC would complete all of the proposed work and provide as-built drawings and certifications to the City; the City would then reimburse Surrey LLC for agreed amount.

attachments: Incentive Policy
Cost estimate
Site Plan exhibit

cc: Rodney Tissue

Incentive Policy

The City has established two programs designed to assist property owners who want to implement practices that improve water quality and reduce flooding. The first program is designed for small-scale projects appropriate for individual residential and small business properties. The second program is designed for large-scale projects that will help the City meet specific pollutant reduction targets.

Small-Scale Incentive Program

The City is partnering with the Washington County Soil Conservation District (WCSCD) to provide incentives for the installation of Green Infrastructure Conservation Practices. Incentives may be in the form of small matching grants and/or technical assistance and are subject to the availability of City funding each fiscal year. Projects may include:

- Rain Barrels
- Rain Gardens
- Conservation Landscaping
- Removal and Replacement of Impervious Surfaces with Permeable Surfaces



While some of these practices may be eligible for credit (or reduce the stormwater utility fee by removing impervious cover), their primary purpose is to incrementally improve water quality by restoring the natural ability of the land to infiltrate stormwater. More information about the program and how to apply is found online at:

www.conservationplace.com

Large-Scale Incentive Program

The City has established a program to **reimburse property owners for the implementation of large-scale stormwater management or impervious area reduction projects** designed to meet state-mandated pollutant reduction requirements. These projects are eligible for credit on the stormwater utility fee.

The program is intended for properties with room to install stormwater management structures to treat large areas of existing impervious cover. Eligible property types may include commercial, industrial, institutional (schools, religious, and fraternal organizations), and condominium and homeowner associations.

Funding may also be used increase the capacity of a structure installed as a condition of development so that it treats an area greater than what is required by regulation. For example, a property owner may be required to install a stormwater structure to treat new impervious area from a parking lot expansion. The City will consider reimbursing a property owner who is willing to increase the capacity of the structure to treat impervious area from the existing parking lot.

Another option is to convert an existing land use to one that has less impact on water quality. For instance, the City may reimburse a property owner for the cost of removing a parking lot and replacing it with turf. Likewise, the cost converting turf to meadow or forest may also be eligible for reimbursement.

Conversions that may be eligible for one land use to another land use that has less of an impact on water quality. For example, is to convert land uses

The program is designed to provide City staff with flexibility when weighing the relative benefits of proposed projects. The City will prioritize projects based on criteria including:



- **Cost effectiveness of the project.** This is typically measured as the cost per impervious acre treated by the stormwater management structure.
- **Higher amounts of private match.** A property owner should anticipate a 50% match. Higher or lower amounts will be considered and weighted accordingly.
- **Private maintenance of the structure.** A property owner should expect to maintain the structure and enter into a maintenance agreement with the City. Alternative arrangements may be considered on a case-by-case basis.
- **Ability to meet multiple objectives.** This may include improving water quality, reducing flooding, creating a public amenity, enhancing aquatic habitats, etc. In addition, the City will consider equity issues, such as focusing on areas of the City that are currently underserved by public infrastructure.
- **Readiness to proceed.** How soon is the property owner able to move forward with the project? Are there timing considerations such as coordinating the project with other development activities?
- **Likelihood of long-term success.** Some structures have higher maintenance requirements or shorter effective lifespans than others.

Incentive Estimate

For Water Quality Improvements

for
Surrey Hill Hotel
Situate at 535 Summit Avenue Hagerstown, Maryland 21740



fsa-md.com

CIVIL ENGINEERS **LAND SURVEYORS** **LANDSCAPE ARCHITECTS**

By: Abram Myers
Date: 07.13.2022
Job No: 3066.0

ITEM #	DESCRIPTION	UNIT	UNIT COST	QUANTITY	EXTENDED COST
100	Inlet Removal and Replacement				
101	Removal of Existing Inlet along Summit Avenue	LS	\$3,000.00	1.00	\$3,000.00
	Subtotal				\$3,000.00
200	Grading				
201	Excavation for Stormwater Management Bioretentions	CY	\$30.00	50	\$1,500.00
202	Excavation for Pavement replacement along Summit Avenue	SF	\$3.00	460	\$1,380.00
	Subtotal				\$2,880.00
300	Stormwater Mangement Structures and Pipe for Overcontrol Downstream				
301	MDSHA Type S Double Inlet	EACH	\$4,000.00	2	\$8,000.00
302	18" HDPE Pipe	LF	\$80.00	113	\$9,040.00
	Subtotal				\$17,040.00
400	Stone, Rip-Rap, Sand & Bioretention Media for Overcontrol of Site Runoff				
401	No. 57 Stone @ 9"	TON	\$25.00	17	\$425.00
402	Pea Gravel @ 3"	TON	\$19.00	5	\$95.00
403	Bioretention Soils	CY	\$40.00	35	\$1,400.00
	Subtotal				\$1,920.00
500	Soil and Seeding				
501	Topsoil-Placing	SY	\$4.00	2,200	\$8,800.00
502	Permanent Seeding and Mulching	SY	\$0.80	2,200	\$1,760.00
	Subtotal				\$10,560.00
600	Green Roof				
601	Green Roof	SF	\$20.00	1,700	\$34,000.00
	Subtotal				\$34,000.00
700	Conversion of Impervious Area to Pervious Area				
701	Pavement and Base Removal	SF	\$3.00	19,770	\$59,310.00
	Subtotal				\$59,310.00
800	Paving of Summit Avenue after Installation of Improved Storm Drain System				
801	Wash. Co. Pavement- 9.5 mm @ 2" For Surface Pavement	TON	\$100.00	6	\$600.00
802	Wash. Co. Pavement- 19.0 mm @ 3" For Base Pavement	TON	\$105.00	9	\$945.00
803	Wash. Co. Pavement- Crushed Stone Base @ 6"	TON	\$27.00	17	\$459.00
	Subtotal				\$2,004.00

Estimated Total Cost

\$130,714.00