

City of Hagerstown's Sewer Capacity Allocation Program August 2, 2005

I. Introduction

The City of Hagerstown Mayor and Council entered into a Consent Judgement with the Maryland Department of the Environment (MDE) on January 12, 2005.

The Consent Judgement has limited the amount of sewer allocation that the City of Hagerstown is permitted to issue each calendar year for new development at 120,000 gallons per day until the wastewater plant has been rehabilitated and upgraded or until other sewer system improvements have been satisfactorily completed according to MDE.

The Consent Judgement requires the City of Hagerstown to develop and submit to MDE for approval a Capacity Allocation Plan prior to July 11, 2005, and said plan shall provide for management of existing and future sewer commitments, distribution of future flow allocations in relation to capacity, and a system to limit the issuance of building permits and approval of new subdivision plats so as not to exceed the annual threshold of 120,000 gallons per day.

The following outlines the Sewer Capacity Allocation Program for the City of Hagerstown's Wastewater Treatment Plant. At least once in each calendar year, the Mayor and City Council shall review this program and with MDE review and approval may revise the program as they deem necessary. Such changes may reduce allocations therefore projections of allocations for 2006 and beyond are not commitments by the City. Statements and representations from anyone requesting allocation beyond 2005 shall not be binding upon the City.

The Consent Judgement sets up a process by which the City may request the Maryland Department of the Environment for approval of residential units or non-residential projects which would exceed the 120,000 gpd limit. Developers may approach the City to pursue this process, however the City must demonstrate that there would be adequate capacity to serve the additional units or projects.

Per the Consolidated General Services Agreement, any award of allocation to Washington County in the Discretionary Reserve process may not result in a total allocation from the annual 120,000 gpd that would exceed 25%, unless otherwise approved by the Mayor and City Council.

For the purposes of the Sewer Capacity Allocation Program, a "development" shall be defined as a parcel(s) or tract of land that has been, or is being prepared for improvement by subdivision of land into lots for development and/or the addition of structure(s) and/or infrastructure. For a section or phase to qualify as a separate development, final plats or site plans must have been approved prior to January 12, 2005.

**City of Hagerstown's Sewer Capacity Allocation Program
August 2, 2005**

II. Allocation of Capacity on an Annual Basis

A. New Development (approved by appropriate Planning Commission after January 12, 2005)

1. 120,000 gallons per day to allocate per year for new development (MDE)
 - a. 20,000 gpd - Discretionary Reserve
 - b. 100,000 gpd – Allocation for City and County Projects
 - 25,000 gpd (25%) - County projects
 - 60,000 gpd (60%) - City residential projects
 - 15,000 gpd (15%) - City non-residential projects
2. Allocations are subject to annual review by Mayor and City Council.

B. Existing Development (final plats or site plans approved by appropriate Planning Commission on or before January 12, 2005)

1. No more than 180,000 gpd to allocate per year for existing development
 - 72,000 gpd (40%) - County projects
 - 88,000 gpd (48%) - City residential projects
 - 20,000 gpd (11%) - City non-residential projects
2. Allocations are subject to annual review by Mayor and City Council. As existing development projects conclude, annual allocation numbers decline.

III. Residential Allocation Guidelines in the City

A. New Development (final plat or site plan approved by appropriate Planning Commission after January 12, 2005)

1. 60,000 gpd to allocate per year for new development (300 units).
2. Annual Allocation Program. Following concept plan approval by Planning Commission, applicant may submit project to Planning Department for inclusion on Master List. Planning Department makes allocations to Master List once a year in January - projects must be submitted for inclusion on Master List by December of preceding year for consideration (see Section VII for schedule). Allocations are made for only that year's allocation amount and shall not commit future years' allocations. The following allocation strategy shall be utilized (if no applicants exist for one or more of the following categories, the allocation is distributed equally amongst the remaining categories):
 - a. 10% of that year's allocation – equally allocated among projects on Master List with at least 10% of units dedicated for workforce housing (if a definition for workforce housing is adopted by the Mayor and City Council).

**City of Hagerstown's Sewer Capacity Allocation Program
August 2, 2005**

- b. 20% of that year's allocation – equally allocated among all development projects on Master List.
 - c. 25% of that year's allocation – proportionally distributed among all housing projects on Master List which received allocation the previous year and have additional lots remaining (size of development compared to total number of housing units on Master List - get that percentage of supply)
 - d. 45% of that year's allocation - proportionally distributed among all housing projects on Master List (size of development compared to total number of housing units on Master List - get that percentage of supply)
3. Developers must receive final plat or site plan approval within six months of allocation and building permits by the end of the calendar year or the reservation shall be voided. Any infrastructure which is not built by final plat approval must be bonded with the City.

Example of Master List Process

Development Project	Units Remaining	Allocation – 300 units
Fred's PUD (no workforce housing units)	518 (31.95%)	$0 + 12 + 75 + 43 = 130$
Alexander Estates (no workforce housing units)	488 (30.1%)	$0 + 12 + 0 + 40 = 52$
Floyd's Townhomes (no workforce housing units)	500 (30.84%)	$0 + 12 + 0 + 41 = 53$
Joe's Workforce Housing Project	25 (1.54%)	$15 + 12 + 0 + 2 = 29$
Darryl's Mixed Use Project (w/ 10% workforce units)	90 (5.55%)	$15 + 12 + 0 + 7 = 34$
	1621	298 + 2 unallocated

**City of Hagerstown's Sewer Capacity Allocation Program
August 2, 2005**

- B. Existing Development** (final plat or site plan approved by appropriate Planning Commission on or before January 12, 2005)
1. Up to 88,000 gpd to allocate per year for existing development.
 2. Distribution of allocation for remainder of 2005 as outlined in Section V. Allocation subject to annual review by Mayor and City Council. The maximum unit allocations per project shown reflect developers' stated preferences or as most fairly apportioned, with large projects with significant infrastructure in place and units built receiving larger allocations and apartment projects receiving lower allocations based on expressed Mayor and City Council priority for multi-family units. For infill on lots of record in older sections of the city, allocation shall be made on first come, first served basis; and if a building permit has not been issued for the project by the end of the calendar year, the reservation shall be voided. In the event that allocation has been exhausted for the year for infill on lots of record, applicants may submit their project to the Planning Department for inclusion on a list for allocation in the coming year as the SCAP permits.

IV. Non-Residential Allocation Guidelines in the City

- A. New Development** (final plat or site plan approved by appropriate Planning Commission after January 12, 2005)
1. 15,000 gpd per year for new development
 2. Allocations made through Master List process once per year with equal distribution between projects submitted.
- B. Existing Development** (final plat or site plan approved by appropriate Planning Commission on or before January 12, 2005)
1. 20,000 gpd per year for existing development.
 2. Allocations made first come, first served throughout the year.

**City of Hagerstown's Sewer Capacity Allocation Program
August 2, 2005**

V. Allocation for Existing Residential Projects for Remainder of Calendar Year 2005

SCAP for EXISTING RESIDENTIAL PROJECTS	Units Remaining (July 21, 2005)	Last Half 2005
Fridinger	22	7
Potomac Manor (excludes 10 lots that had been in City before annexation)	37	8
Greenwich Park	91	5
Cortland Park Townhouses	41	24
Hager's Crossing, Sec. 1B	80	62
Kensington Villas	64	14
Park Overlook	27	15
Fairchild Heights	19	8
Hillside Manor	72	10
Cortland Duplexes	32	14
Cortland Apartments	324	48
Infill on Lots of Record	75	5
TOTAL Units	884	220*
TOTAL Allocation	176,800	44,000

* Allocation represents maximum allowed with 88,000 gpd/year allocation with half a year to allocate.

VI. Discretionary Reserve Allocation Guidelines

The SCAP sets aside 20,000 gpd per year for a Discretionary Reserve. The Discretionary Reserve shall be allocated on an annual basis by the Mayor and City Council. Development projects located within the City and outside the corporate limits are eligible for consideration. Following at least concept plan approval by respective Planning

**City of Hagerstown's Sewer Capacity Allocation Program
August 2, 2005**

Commissions, or recommendation of project for consideration by respective Economic Development Directors, applicant may submit project to the Planning Department for inclusion on Discretionary Reserve Master List. Allocation to Master List is made once a year in February - projects must be submitted for inclusion on Master List by January of that year for consideration (see Section VII for schedule). Recommendations on the submitted projects shall be made by the City and County Planning Directors. Eligible projects for Discretionary Reserve consideration are prioritized as follows, however, allocation shall be solely at the Mayor and City Council's discretion:

- A. Public projects of Mayor and City Council of Hagerstown.
- B. Public projects of Board of County Commissioners or School System
- C. Residential projects with 10% or more of units for workforce housing, if a definition for workforce housing is adopted by the Mayor and City Council.
- D. Economic Development projects with high tech or high wage job creation opportunities for the County - as recommended by respective Economic Development Directors.
- E. Redevelopment projects in the City's C3 district, of the City's aging shopping centers, or of the City's under-utilized or vacant developed industrial properties.
- F. Vacant or under-developed tracts of land within the City proposed for development for office, industrial, institutional, or single-family detached or attached residential projects.
- G. Office, industrial, or institutional development outside corporate limits.
- H. Single-family detached or attached residential projects outside corporate limits.
- I. All other residential development.
- J. Retail development.

Developers must receive final plat or site plan approval within six months of allocation and building permits by the end of the calendar year or the reservation shall be voided.

VII. Schedule for Master List and Discretionary Reserve Allocation Awards

	Last Half of CY 2005	CY 2006
Concept Plan Approval	August 15	December 14, 2005
Master List Submission	August 22	December 28, 2005
Master List Award by Planning Department	August 30*	January 16, 2006
Discretionary Reserve Submission	September 12*	January 30
Discretionary Reserve Awards by M&CC	October 25*	February 28

* If SCAP is not in place yet due to MDE delay, schedule dates will be pushed back.

VIII. Policy for Use of Remaining Allocation from Development Projects

**City of Hagerstown's Sewer Capacity Allocation Program
August 2, 2005**

At the date of approval of the SCAP by MDE and the Mayor and City Council, if any ISCAP allocation remains, it shall be proportionately distributed between each "new development" category for the balance of 2005. For existing development (except infill on lots of record) projects with remaining allocation at the end of the year, the remaining allocation shall be reserved for the development project in future years as the annual allocation caps permit, on a first come, first served basis, with the reservation expiring at the end of 2011. For infill on lots of record in older sections of the city, if a building permit has not been issued by the end of the calendar year, the reservation shall be redistributed in the "infill on lots of record" category for "existing development" for the following year. For new development projects with remaining allocation at the end of the year, the remaining allocation shall be proportionately distributed between each "new development" category for the following year.