

Neighborhood Channel Dredging

Community Briefing on Creating a Neighborhood SSD For:

Hebden Cove

December 16th, 2013

Neighborhood Channel Dredging

Prior Efforts / Reviews

- 1997 Citywide Analysis
 - Too big, too long, unaffordable
- 2004-2005 Series of 4 Council Briefings
 - Four potential courses of action identified
 - No formal council action

Neighborhood Channel Dredging

Virginia Beach Program

- Individual neighborhood SSD Projects
 - specific scopes
 - Standard frequency (3 cycles, 16 years)
- Includes City-funded Spur Channels (early appropriations allow for 1st dredging in year 2)
- Those who receive the benefit help pay for the project - Cost sharing (3 sources)
- City management of effort – formulation, funding, design, permitting, construction, maintenance
- Creates a viable solution to reclaim navigation & improve water quality
- Establishes a reasonable timeline with visible results

Neighborhood Channel Dredging

Project Parameters

Financing
Strategy

- Neighborhood channel funded by SSD
- City cost share's by funding spur channel
 - Individual funding of turn basins
 - City management of project
 - Economies of scale
 - Defined schedule
 - Sunset duration

Funding
Sources
3

Neighborhood Channel Dredging

Legal Considerations

- VA Code §15.2-2403 Authorizes SSDs for navigation
- Minimum of 51% property owner approval
- Formal adoption by City Council
- Council Established 80% property owner approval
- On September 10, 2013, City Council adopted ordinance for Tax Relief for Qualifying Senior & Disabled Persons

Neighborhood Channel Dredging

Project Format

- Mechanical Dredging
- Potential for neighborhood dredged material transfer
- City Dredged Material Transfer Station
- Deposition at City Disposal Area: Whitehurst Dredged Material Management Area (DMMA)

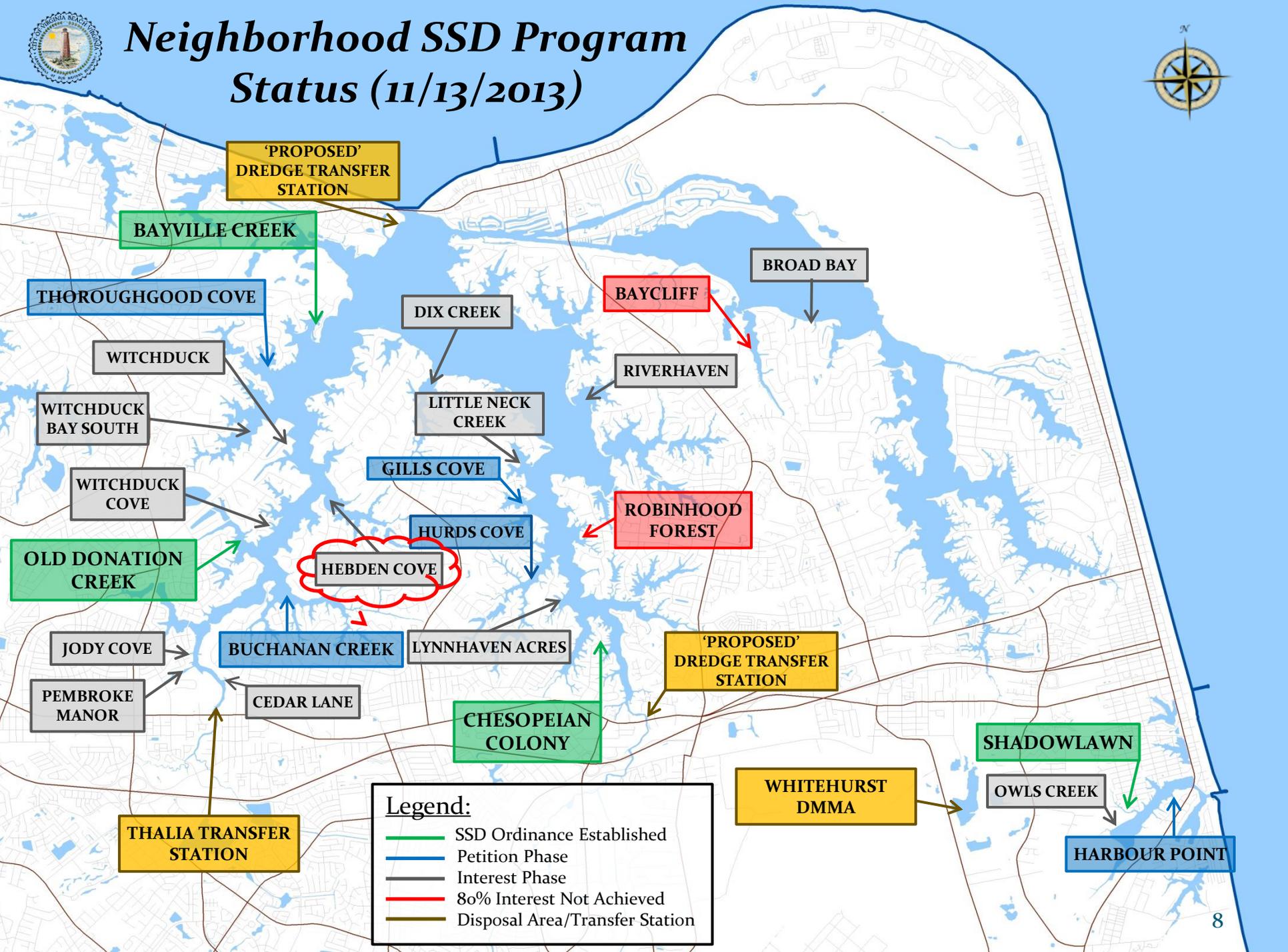
Neighborhoods In Play

1. Old Donation Creek
2. Bayville Creek
3. Shadowlawn
4. Chesapeake Colony
5. Harbour Point
6. Thoroughgood Cove
7. Middle Plantation - Gills Cove
8. Buchanan Creek
9. Hurds Cove
10. Lynnhaven Acres
11. Witchduck Bay South
12. Witchduck
13. Witchduck Cove
14. Jody Cove
15. **Hebden Cove**
16. Dix Creek
17. Pembroke Manor
18. Cedar Lane
19. River Haven
20. Broad Bay
21. Owls Creek
22. **Baycliff**
23. **Robin Hood Forest**





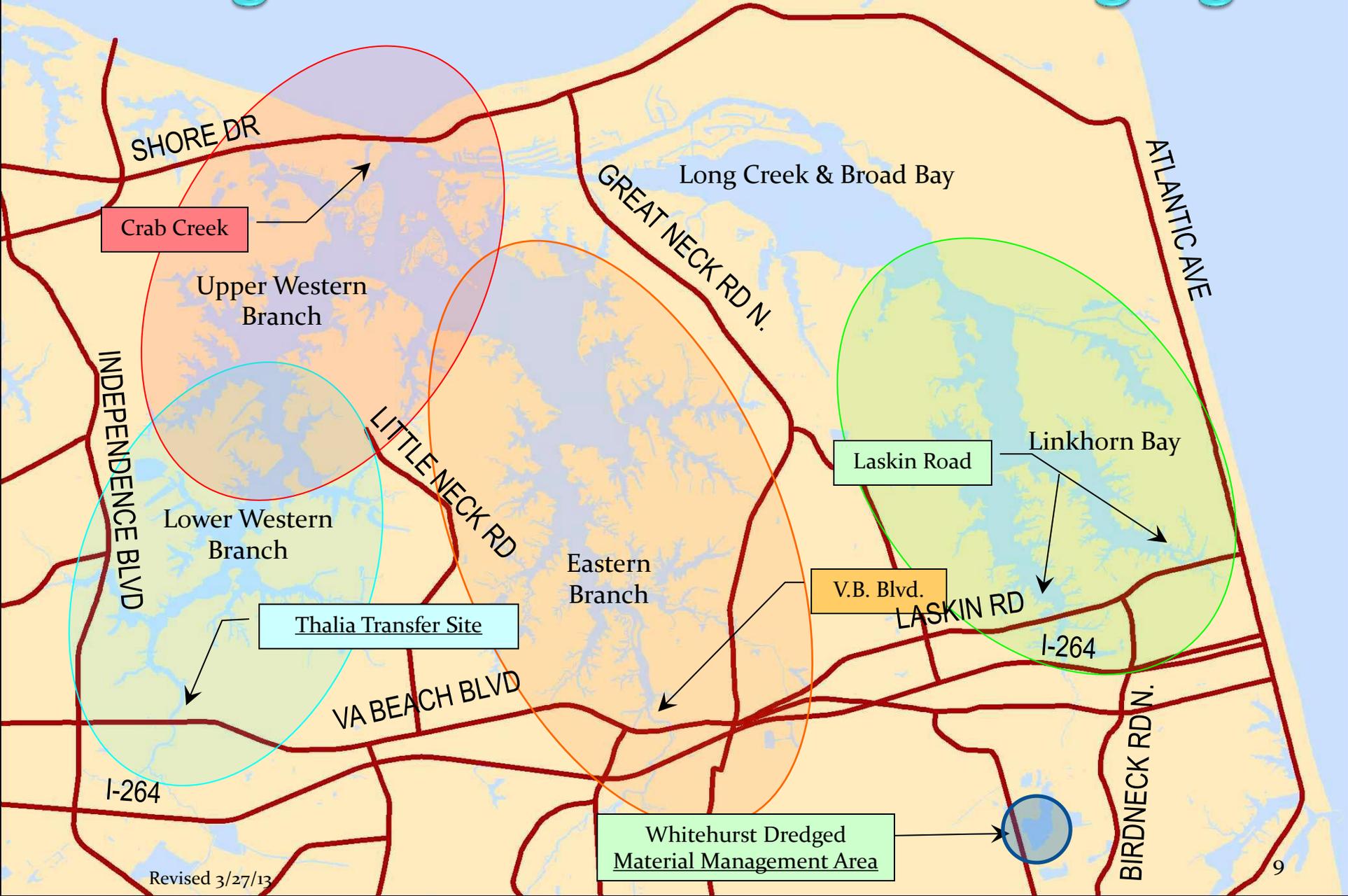
Neighborhood SSD Program Status (11/13/2013)



Legend:

- SSD Ordinance Established
- Petition Phase
- Interest Phase
- 80% Interest Not Achieved
- Disposal Area/Transfer Station

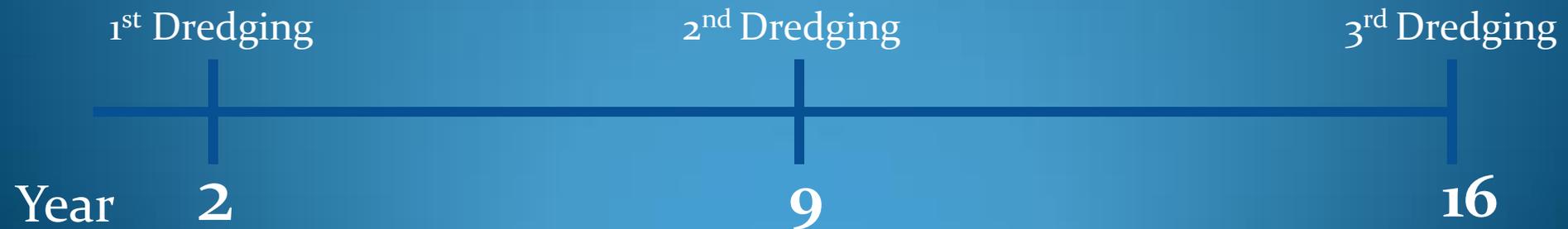
Neighborhood Channel Dredging



Neighborhood Channel Dredging

Dredging Cycles

- Initial dredging: 2 years after SSD adoption
- Projected cycle: 7 years
- 2nd cycle anticipated at 70% of initial volume
- 3rd cycle anticipated at 50% of initial volume



Neighborhood Channel Dredging

Life Cycle Estimated Costs City Portion

<u>Cycle</u>	<u>Volume</u>	<u>Cost</u>
1	1,750 CY	\$73,364
2	1,225 CY	\$65,170
3	<u>875 CY</u>	<u>\$65,500</u>
	3,851 CY	\$204,034

(includes 5% cost escalation, 20% for engineering, and navigation aids)

(\$31.50, \$44.32, \$62.37)

Neighborhood Channel Dredging

Hebden Cove

Life Cycle Estimated SSD Costs

<u>Cycle</u>	<u>Volume</u>	<u>Cost</u>
1	27,684 CY	\$1,089,658
2	19,379 CY	\$1,030,730
3	<u>13,842 CY</u>	<u>\$1,035,958</u>
	60,905 CY	\$3,156,346

(includes 5% cost escalation, 20% for engineering, and navigation aids)
(\$31.50, \$44.32, \$62.37)

Neighborhood Channel Dredging Hebden Cove

City Appropriations Schedule

<u>Cycle</u>	<u>Year</u>	<u>Design</u>	<u>Construction</u>
1	1	\$232,600	
	2		\$930,400
2	8	\$219,200	
	9		\$876,700
3	15	\$220,300	
	16		\$881,200
Total		\$672,100	\$2,688,300

Neighborhood & City Channels Total =\$3,360,400

Neighborhood Channel Dredging

Hebden Cove SSD Data

- Total SSD FY14 assessed value: \$57,334,800
- 91 properties in the neighborhood district
- Each penny surcharge raises \$5,733/year
- Total SSD neighborhood channel dredging cost is \$3,156,346
- SSD rate covers costs for 16 year life: 34.4¢/\$100 of the FY14 assessed value

Example:

<u>Property Value</u>	<u>Cost/Year</u>	<u>Cost/Month</u>
\$100,000	\$344	\$29
\$200,000	\$688	\$57
\$500,000	\$1,720	\$143

- Tax deductible
- Review rate at end of every 4th year

Neighborhood Channel Dredging

Risks:

- Environmental permits
- Encroachment approval
- Real estate bottom rights
- Real estate valuation changes
- Cost escalation assumption (5% annually)

Neighborhood Channel Dredging

Next Steps for Hebden Cove Project

- Assess communities willingness to continue
- Brief City Council on project
- When 80% willing - complete formal petitions
- Conduct a Public hearing
- City Ordinance establishing SSD
- Begin design and permitting

QUESTIONS

City Neighborhood Dredging Website:

<http://www.vbgov.com/government/departments/public-works/coastal/pages/neighborhood-channel-dredging.aspx>