

Neighborhood Channel Dredging

Community Briefing on
Creating a Neighborhood SSD

For:

Little Neck Creek

February 11th, 2014

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)

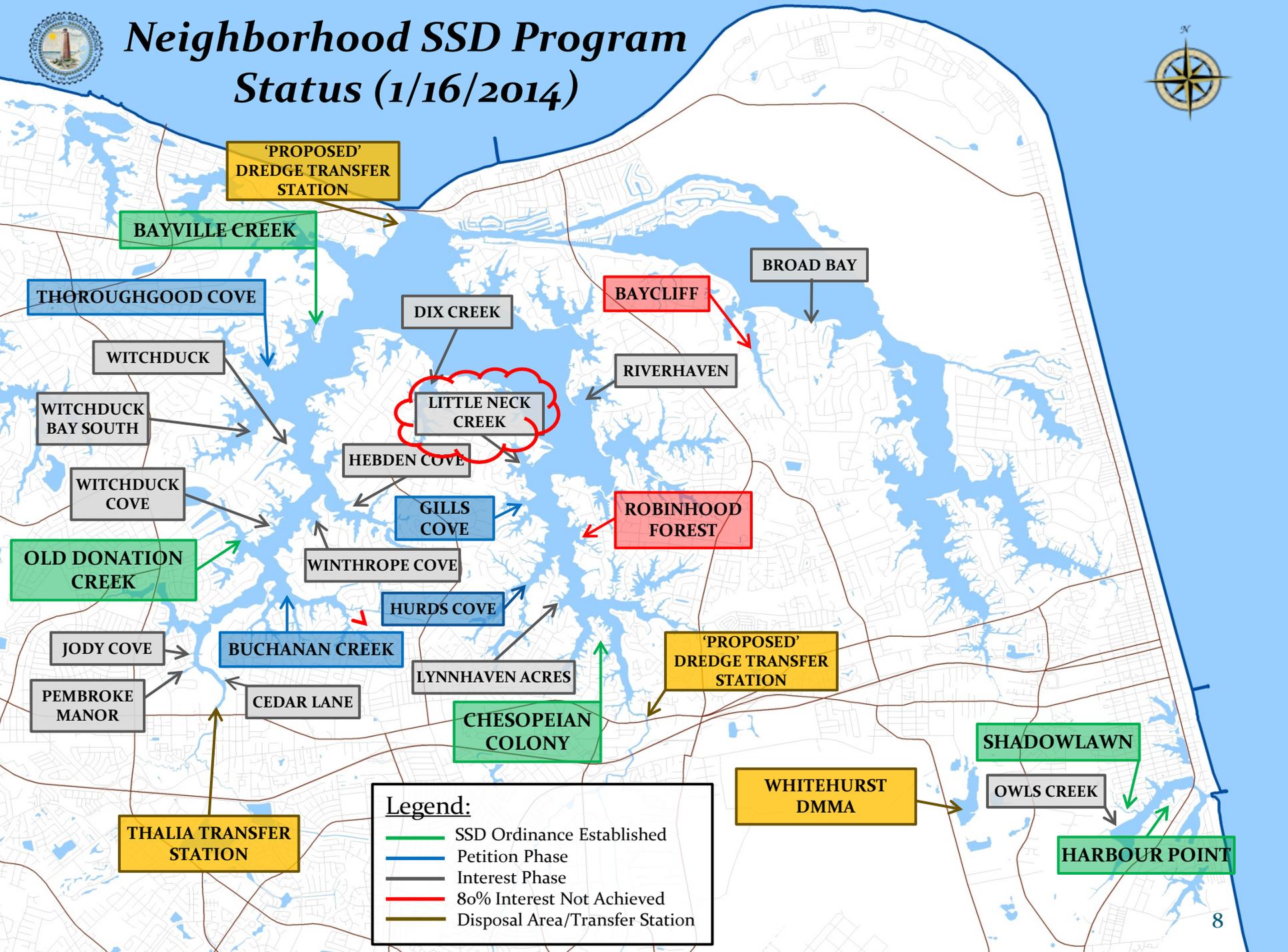
Neighborhoods In Play

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





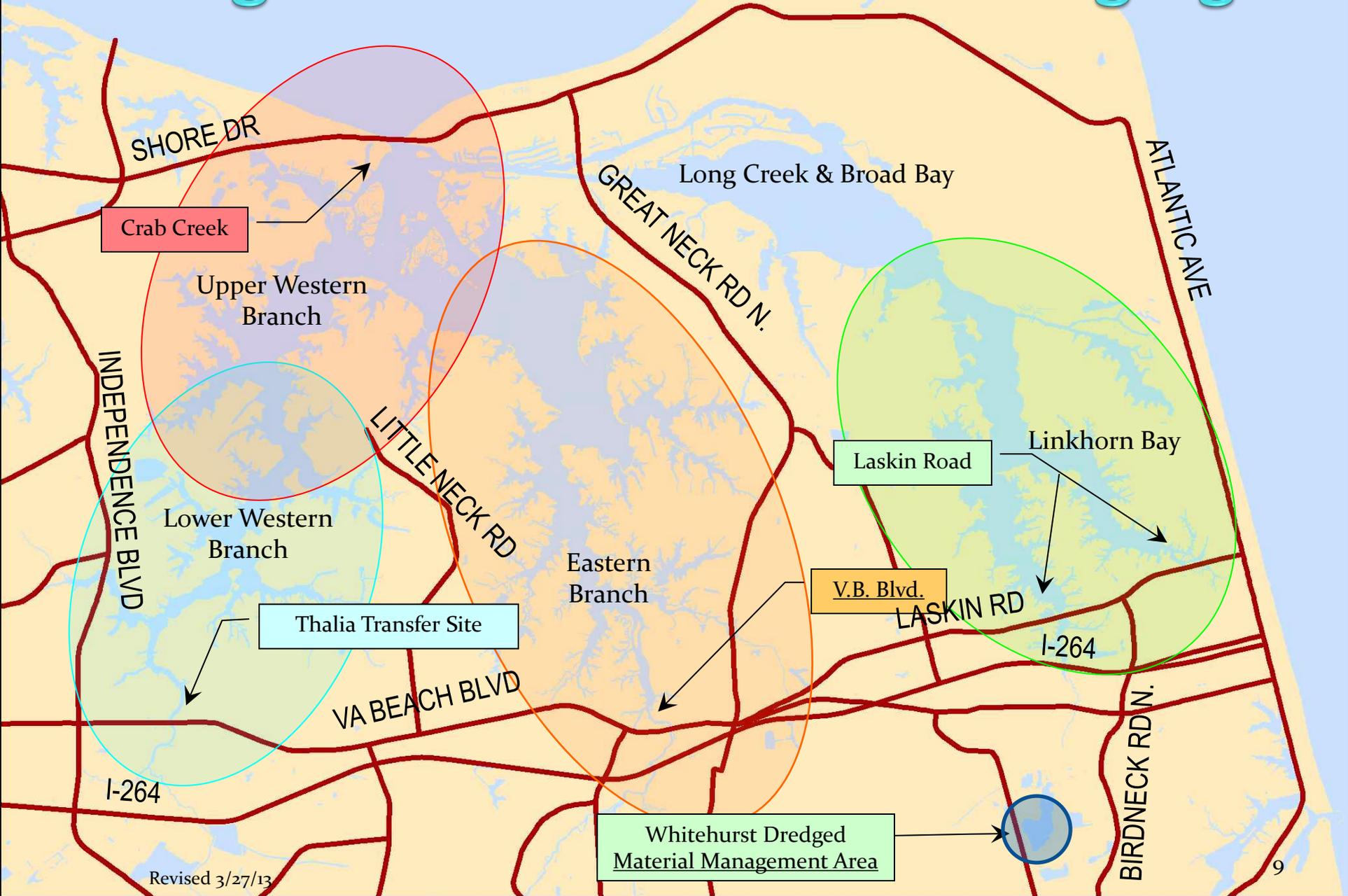
Neighborhood SSD Program Status (1/16/2014)



Legend:

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

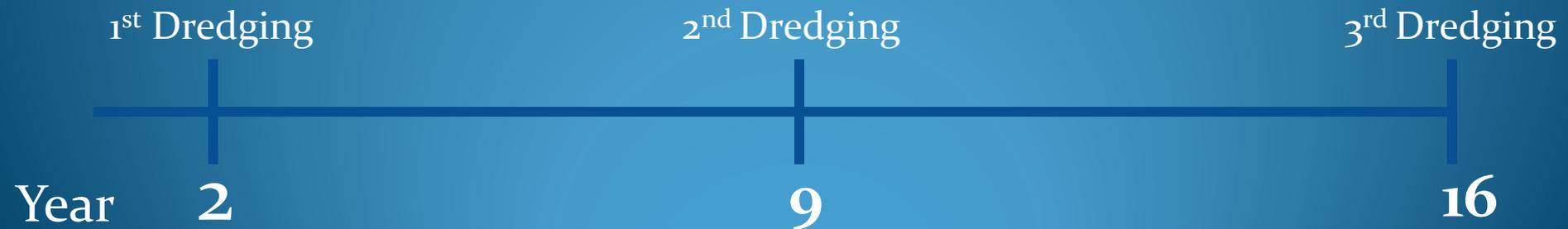
Neighborhood Channel Dredging



Neighborhood Channel Dredging

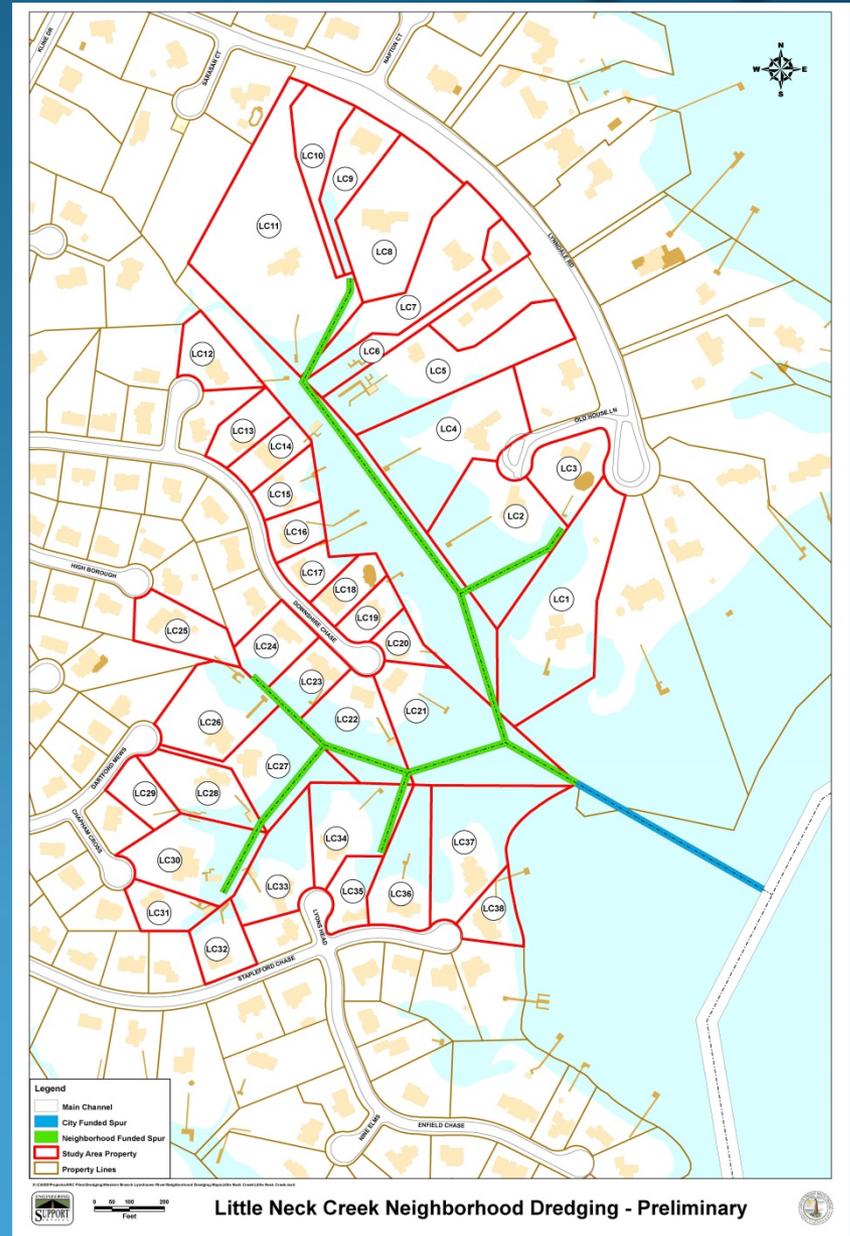
Dredging Cycles

- 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

- Number of Properties: 38
- City Spur Channel Length: 610 ft
- City Spur Channel Width: 30 ft
- SSD Channel Length: 3,720 ft
- SSD Channel Width: 15 – 30 ft



Neighborhood Channel Dredging

Little Neck Creek

Life Cycle Estimated City Costs

<u>Cycle</u>	<u>Volume</u>	<u>Cost</u>
1	1,977 CY	\$81,925
2	1,384 CY	\$73,602
3	<u>988 CY</u>	<u>\$73,975</u>
	4,349 CY	\$229,502

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

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

Neighborhood Channel Dredging

Little Neck Creek

Life Cycle Estimated SSD Costs

<u>Cycle</u>	<u>Volume</u>	<u>Cost</u>
1	13,675 CY	\$545,729
2	9,573 CY	\$509,160
3	<u>6,838 CY</u>	<u>\$511,742</u>
	30,086 CY	\$1,566,631

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

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

Neighborhood Channel Dredging

Little Neck Creek

City Appropriations Schedule

<u>Cycle</u>	<u>Year</u>	<u>Design</u>	<u>Construction</u>
1	1	\$104,600	
	2		\$523,000
2	8	\$97,100	
	9		\$485,700
3	15	\$97,700	
	16		\$488,100
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Total		\$299,400	\$1,496,800

Neighborhood & City Channels Total = \$1,796,200

Neighborhood Channel Dredging

Little Neck Creek SSD Data

- Total SSD FY14 assessed value: \$32,210,300
- 38 properties in the neighborhood district
- Each penny surcharge raises \$3,221/year
- Total SSD neighborhood channel dredging cost is \$1,566,631
- SSD rate covers costs for 16 year life: 30.4¢/\$100 of the FY14 assessed value
- Example: \$850,000 property contributes:
 - \$2,584 per year
 - \$216 per month
- 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 Little Neck Creek 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>