

US EPA ARCHIVE DOCUMENT

**Superior Environmental Results Through Innovative Land Development Technical
Assistance and Permitting in New Hampshire
Cooperative Agreement # EI-97188001-0
Quarterly Progress Report
October 1, 2010 – December 31, 2010**

Project Synopsis

This quarter we worked with two pilot projects. We conducted a conceptual pre-application meeting for each project, conducted a site visit for one project, discussed elements of one project with EPA staff, shared information with the applicable municipalities, and coordinated input from several staff and programs. We identified appropriate DES staff teams to work with the projects.

We also conducted additional outreach on the Innovative Permitting Initiative by presenting at three different workshops. IPI staff also provided input on draft legislation to establish a voluntary, alternative integrated land development permit program that, if chosen by the applicant, would supplant several existing individual permit programs.

This quarter the new procedures for the initial review and acceptance of permit applications under the four Land Resources Management permit programs were fully implemented.

Please see the Narrative Discussion below and the Task Status Table for task-by-task detail on progress to date.

Narrative Discussion

This quarter we formally began working with our first two pilot projects:

Pilot 1 - Altaria Development, Lebanon: This project involves a parcel of about 300 acres located near Dartmouth-Hitchcock hospital and on a major travel route (Route 120 connecting I-89 to the hospital and Hanover, NH, which includes Dartmouth College). A portion of this site was previously developed as warehouses. The developer proposes to develop about 66 acres and place the remaining 223 acres into conservation. The project includes 2 phases. Phase 1 is a high-density, mixed-use urban node located primarily in the area currently developed. Phase 1 is expected to include a LEED-silver hotel as well as a “downtown” street area with retail, commercial, and upper-floor residential, as well as a central park area. Phase 2 includes additional high-density housing adjacent to the Phase 1 project and business park lots toward the rear of the property, adjacent to the existing Centera Business Park.

IPI Interactions this Quarter with Pilot 1:

- Participated in pre-application meeting organized by DES representative to the NH Customer Service Initiative (CSI).
- Prepared meeting summary from pre-application meeting.
- Formally invited developer to participate as a pilot project under the IPI.
- Discussed project with EPA wetlands staff and Army Corps of Engineers contact.

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- Requested additional information from the developer, including a wetlands delineation for the site. The wetlands delineation identified a stream on the site, which was not observed during a preliminary site visit conducted last quarter.
- Discussed project with DES technical staff to determine if a site visit for technical staff would add value.
- Conducted a site visit for DES wetlands and alteration of terrain (stormwater) technical staff. This visit was coordinated with the developer's and municipality's wetland scientists. Discussed various areas under review for classification as wetlands and/or vernal pools. No areas of suspected or potential vernal pools were identified. Additional wetlands not previously map and some issues of concern were noted around the existing buildings during the site visit (see wetlands report for additional information).
- Prepared a site visit summary for IPI.
- Worked with wetlands staff to refine the wetlands site inspection report and action requested of the land owner.
- Assisted applicant in identifying correct individual at the NHDOT to resolve a question and obtain information required for a local planning board meeting (under participation in NH CSI).

Pilot 2 – Cotton Mill, Nashua: This project involves redevelopment of a historic mill building and a property of almost 6 acres adjacent to the Nashua River in downtown Nashua. The developer is proposing to create 120 affordable rental units. The site has contaminated soils, groundwater contamination, and expected lead paint and asbestos issues in the building. The property is also currently identified as within the floodplain and floodway. The developer is seeking to modify a downstream dam (as a related but separate project) to allow for greater flows during storm events to eliminate the flooding of the Cotton Mill property. The city is strongly supporting the project as part of their downtown revitalization efforts. An alternative plan to remove the existing buildings and develop three new buildings at this site had been previously permitted in 2006.

- Organized and facilitated a pre-application meeting involving wetlands and AoT staff from the Land Resources Management program as well as other DES staff involved, or expected to be involved, in the project, including hazardous waste/Brownfields and petroleum contamination staff, wastewater engineering design review staff, asbestos staff, and an individual from the NH Dam Bureau.
- Prepared a meeting summary from the pre-application meeting using a draft IPI meeting template.
- Formally invited developer to participate as a pilot project under the IPI.
- Discussed project schedule with applicant and DES staff.
- Opted to forgo a technical pre-application meeting due to the tight timing for the project (the applicant expected to submit permit applications by Jan 7th), the comprehensive discussion at the pre-application meeting, and given that a very similar project had been previously permitted by both wetlands and AoT (although under different rules).

Revised Permit Acceptance and Administrative Review Process. The legal concerns identified last quarter were resolved and the new procedure was fully implemented this quarter. The process is now being managed by a supervisory administrative staff person from the Land Resources Management Program. Under the new process, all applications are reviewed for administrative completeness, entered into the appropriate database, and forwarded to the technical review queue the **same** day they are received. Previously this process was conducted for only 3 of the 4 programs and could take up to 4 days for a wetlands application to be processed. The time required to conduct this administrative review was reduced from up to 40 minutes per application to an average of 23 minutes per application. There is also greater cross-training and staff coverage of administrative staff, eliminating the potential for longer delays due to staff absences. In conjunction with the new administrative review process for applications, we fully implemented a new process for entering checks received into the state accounting system. This new process eliminates substantial double-keying and potential for error.

Permit Program Coordination and Process Streamlining. IPI staff continue to support process improvements within the Land Resources Management permit programs. Projects this quarter included streamlining the process to issue emergency permits and revising the wetlands permit-by-notification form and the comprehensive shoreland protection act permit application form.

Legislation to Establish an Integrated Permit for Land Development. The Department of Environmental Services is working closely with the NH Legislature to bring forward legislation to establish a new, integrated land development permit. The integrated permit will be a voluntary, alternative permit option for development projects that will supplant various individual program permits now issued by the department. The proposed legislation to create this new permit draws substantially from the lessons learned and procedures proposed under the Innovative Permitting Initiative.

The role of the IPI staff as internal project coordinator is proving to be essential to providing assistance to the applicants and in resolving potential issues, both internally and with other organizations (e.g., municipalities, other agencies). As the IPI process was originally defined, the individual permit program staff person identified as the “lead” for a particular project was expected to serve in this role. Given the substantial amount of time required to date in working with the first two pilot projects, it is not clear that the existing permit program staff will have the time required available under their current workload allocation.

Our interactions with the initial pilot projects uncovered several important aspects for developing a new approach to working with applicants:

- It is important to have a defined policy for how any identified or existing violations of current rules will be addressed under the IPI;
- It is important to have the correct staff, both in terms of number and expertise, involved to provide good, clear guidance to applicants;
- It is important to establish clear protocols for internal communication to ensure that all relevant project information is shared with all team members without restricting direct communications between applicants, their consultants, and the permitting agency’s technical staff; and

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- It is extremely challenging to prepare an adequate summary in real time during a pre-application meeting. The process may need to allow for this summary to be finalized, reviewed, and distributed after such meetings.

During the lag in activity prior to identifying our first pilot projects, we extended our involvement in overall process improvements efforts within the Land Resources Management Program. While it is exciting to see the level of interest in “fixing” things, there is a fair time commitment associated with each effort. To manage our resources and ensure adequate availability to implement and evaluate the IPI, we are now prioritizing and limiting our involvement in new improvement efforts.

A request to modify our project budget will be submitted under separate cover to redirect funds previously budgeted for consultant services and indirect costs to personnel costs. This transfer will allow us to maintain our full time staff commitment to the IPI beyond the 18 month timeframe under the original workplan.

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Project Tasks and Status

Task #	Task Name	Task Description	Start Date	End Date (bold = revised 10/10)	Task Status/Activity this Quarter
	Pre-Administration	Formal Acceptance of Grant by NH Governor and Executive Council	EPA grant award (approx. Oct 1, 2008)	Jan 14, 2009 (Approx 45-60 days after EPA grant award)	<ul style="list-style-type: none"> Completed in prior quarters.
1	Form Innovative Permitting Advisory Group	Establish and Support Core Advisory Group	Project start (officially is NH G&C approval on 1/14/09)	Formed April 2009/ On-going	<ul style="list-style-type: none"> No meeting this quarter.
2	Recruit DES Pilot Staff	Identify and Solicit Participation of DES Project Staff (Permitting and Technical Assistance)	Project start	12 months (completed at 14 mos)	<ul style="list-style-type: none"> Secured IPI DES staff teams for two pilot projects.
3	Identify Needs and Recruit Consultants	Identify Needs and Secure Required Consultant Support	2-4 months	On-going/ grant completion	<ul style="list-style-type: none"> No action this quarter.

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Task #	Task Name	Task Description	Start Date	End Date (bold = revised 10/10)	Task Status/Activity this Quarter
4	Develop a Coordinated Permitting Procedure	DES Permit Process Evaluation and Coordination Strategy Development	Project start	14 months for draft (4/10)/ 30 months for final (DES procedures defined earlier, 24 months, full DES-municipal process will require more time)	<ul style="list-style-type: none"> Prepared draft legislation to establish an Integrated Land Development Permit. Legislation is based on the work of IPI recommendations of the Legislative Land Use Commission. Identified approach to coordinate internal DES review team and materials using existing systems (e.g., shared drives and existing software) versus requiring/using a new software with large start-up resistance.
5	Develop DES Pre-application Meeting Process	Pre-Application Meeting Requirements and Processes (for DES and applicants)	Project start	15 months for draft (4/10)/ 24 months for final	<ul style="list-style-type: none"> Prepared a meeting summary template and tested its use in pre-application meeting for the Cotton Mill pilot project. Participated in a pre-application meeting for the Altaria pilot project convened under the NH Customer Service Initiative; prepared an IPI-inspired summary of that meeting.
6	Define Guidelines and Information on Best Practices	Identify standards for higher environmental performance of land development projects	Project start	15 months for draft (4/10)/ 24 months for final	<ul style="list-style-type: none"> Revised materials from April 27, 2010 proposed approach into separate draft guidance on best practices and project evaluation/documentation.

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Task #	Task Name	Task Description	Start Date	End Date (bold = revised 10/10)	Task Status/Activity this Quarter
7	Develop Enhanced Technical Assistance Process	Develop guidance and procedures for providing technical assistance on higher environmental performance standards	14 months	18 months for draft/ 30 months for final	<ul style="list-style-type: none"> No action this quarter.
8	Develop Development Project Evaluation Procedures	Develop procedures for evaluating the environmental performance of development projects	8 months	15 months for draft (4/10)/ 24 months for final	<ul style="list-style-type: none"> Drafted revised project evaluation and documentation procedures to assess project performance in the four best practice areas.
9	Develop Pilot Program Materials and Outreach	Develop informational materials on the pilot program and procedures	4 months	14 months for drafts 24 months for final/ongoing	<ul style="list-style-type: none"> Began work to re-draft a joint application form for use by IPI projects.
10	Identify and Recruit Participants	Solicit potential participant municipalities and developers (applicants) to participate in pilot	4 months	On-going	<ul style="list-style-type: none"> Secured participation of two IPI pilot development projects (Altaria and Cotton Mill).

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Task #	Task Name	Task Description	Start Date	End Date (bold = revised 10/10)	Task Status/Activity this Quarter
11	Plan and Conduct Public Involvement	Develop and implement a plan to ensure broad public input to pilot program development and implementation (incorporates elements of other tasks)	Project start	On-going/ grant completion	<ul style="list-style-type: none"> Spoke at BuildGreen NH conference, DES/Business and Industry Association Water Symposium, and NH Society of Professional Engineers Annual Luncheon on IPI.
12	Conduct Project Pilots	Process pilot program participants through pre-application meeting, provision of technical assistance, and coordinated permitting (target: 20 projects)	18 months - ongoing	On-going/ grant completion	<ul style="list-style-type: none"> Conducted “conceptual” pre-application meetings and prepared meeting summaries for Altaria and Cotton Mill pilot projects. Conducted a site visit with technical staff from the DES wetlands and alteration of terrain programs for the Altaria project. Facilitated internal conversations and resolution of potential issues for both projects.
13	Evaluate Pilot Program, Develop Case Studies, and Transfer Innovation	Evaluation and Reporting of Benefits, Challenges, and Opportunities of Pilot Program	6-8 months	On-going/ grant completion	<ul style="list-style-type: none"> No action this quarter.
14	Report Progress and Project Administration	Periodic reporting, recording keeping, quality assurance, and overall project management	3 months	On-going/ grant completion +120 days	<ul style="list-style-type: none"> Progress report submitted Nov 3, 2010.

Projection of Future Activities

Next quarter we will continue to work with our two pilot projects. We will conduct a technical pre-application meeting for the Altaria project and conduct a coordinated permit application review and response for the Cotton Mill project. We expect to coordinate with the applicable municipalities and federal partners as well. We will continue to reach out to potential developer and municipal partners. We will finalize our best practices guidance and update our QAPP to reflect the identified approaches for measuring outcomes and environmental benefits. We will provide information to our Advisory Group to update them on our implementation approach and early findings.

Financial Report

Through December 31, 2010, we have expended just over \$184,900 of the grant award (approximately 67% of the grant award). The breakdown of expenditures is reported in the table below.

Time expended by state-funded personnel on the project is being tracked using a specific timesheet code. Although we continue to work with staff to use the correct code, we are still not capturing all the of the match time toward this project. Nonetheless, during this quarter, just over \$16,990 in match was recorded. The total value of match time to date is close to \$148,000 (which equals around 45% of total project cost to date).

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Expenditures and Match Totals to Date

Object Class Category	Approved Budget	Expended this Quarter	Total Expended to Date	Match this Quarter	Total Match to Date	Total Project Costs to Date
1. Personnel	\$236,848	\$16,307	\$103,249	\$10,770	\$95,654	\$198,902
2. Fringe Benefits	\$133,866	\$8,790	\$61,500	\$5,735	\$49,556	\$111,056
3. Travel	\$2,600	\$114	\$589	\$0	\$0	\$589
4. Equipment	\$1,800	\$0	\$1,716	\$0	\$0	\$1,716
5. Supplies	\$4,508	\$68	\$2,160	\$0	\$0	\$2,160
6. Contractual	\$51,500	\$0	\$12,200	\$0	\$0	\$12,200
7. Construction	\$0	\$0	\$0	\$0	\$0	\$0
8. Other	\$16,411	\$0	\$446	\$0	\$0	\$446
9. Total Direct Charges	\$447,533	\$25,279	\$181,859	\$16,505	\$145,210	\$327,069
10. Indirect Costs	\$12,186	\$0	\$3,054	\$489	\$2,767	\$5,821
11. Total	\$459,719	\$25,279	\$184,913	\$16,993	\$147,977	\$332,890
Share	Recipient: 40.18%; Federal: 59.82%)		55.5% share		44.5% share	72% Percentage of Total Budget