

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, 2011 – December 31, 2011**

Project Synopsis

This quarter we began working with a prior pilot project to provide pre-application coordination for a second part of their project and began working with another project that will also provide more experience in coordinating the very early stages of discussion on a project. The proposed legislation brought forward by DES based on the work of the Innovative Permitting Initiative was amended further based on continued work with stakeholders to reach consensus on the proposed new Integrated Land Development Permit program. The bill was voted Ought-to-Pass by the NH Senate Energy and Environment Committee.

IPI staff continued to work with the Land Resources Management (LRM) programs, particularly the wetlands bureau, to improve and streamline procedures and increase consistency. This quarter revised versions of several LRM permit application forms were published, which IPI staff contributed many recommendations. IPI staff also worked to define a new set of performance measures to be used across the programs to track activity levels and manage staff time allocation more efficiently, measure success at meeting statutory timeframes, evaluate the overall timeframe to reach final decisions on applications and need to request more information from applicants, and assess environmental outcomes.

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

Narrative Discussion

Work with two existing and one new pilot project continued. Although we don't anticipate taking on many more pilot projects, there were two opportunities that arose that were appropriate to take on and that would allow us to continue to refine and evaluate a coordinated pre-application process of working with applicants. The first one is a continuation of our work with a prior pilot project on a second component of their project (Cotton Mill/Jackson Falls Dam), and the second project (Pike Industries, Quarry Expansion) involves a supportive applicant willing to follow the proposed Integrated Land Development Permit process proposed in legislation and to coordinated with the municipality, as envisioned by the ideal IPI process.

Pilot 1 - Altaria Development, Lebanon: This project proposes to redevelop/develop about 66 acres as a mixed-use, high-density "downtown" node and attached housing and business park (in two phases) and place the remaining 223 acres into conservation. Although DES issued the wetlands and alteration of terrain permits for this project in July and September, respectively, the fulfillment of the mitigation required under the wetlands permit is deferred pending full, final approval from the municipality for the project as proposed. As a result, DES IPI staff continued to assist the applicant in working with other state agencies and to evaluate issues under review locally to support the applicant in obtaining full approval for the project.

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Pilot 2 – Cotton Mill/Jackson Falls Dam, Nashua: The primary project is the redevelopment of a historic mill building to create 120 affordable rental units on a property of almost 6 acres adjacent to the Nashua River in downtown Nashua. DES issued the final Alteration of Terrain permit for the project in October (the need for a wetlands permit was eliminated by a change in policy at the municipal level). As part of the final evaluation of this project and the role of IPI discussions to promote better development practices, IPI staff will use the DES “Simple Method” spreadsheet to estimate the effect of the additional treatment. This analysis has not yet been completed.

The redevelopment project is contingent on the site being removed from the 100-yr floodplain by altering a downstream dam structure to install mechanical flashboards that will allow more water to pass over the dam during high flow events, thus reducing flooding upstream. After a 9 month delay by the applicant to resolve financing issues with the project, DES restarted our efforts to coordinate input and review by several internal DES staff and other state and federal entities. DES IPI staff communicated via email and in person with DES staff and other federal and state agency representatives to identify all potentially involved parties in preparation for holding a formal pre-application conceptual project review meeting in early 2012.

Pilot 3 – Pike Industries Quarry Expansion, Hooksett: Although this project is not a land development project, IPI staff have taken on a coordinator role because this project provided an opportunity to work with a project from the very start of the conceptual design process, to coordinate several DES programs as well as with other state and federal entities, and to coordinate and communicate closely with the municipality as well. The applicant is represented by an individual that served on the IPI Advisory Committee and is interested in “testing” the alternative approach proposed by the new Integrated Land Development Permit legislation (which is based on the process defined by the IPI).

In support of this project, IPI staff identified potentially involved programs within DES, identified Federal entities involved, and set a date for an initial conceptual pre-application meeting in January. One issue discovered in the early process is a breakdown in understanding how the very early, initial communication between DES and the NH Department of Fish and Game should occur. While the procedures for coordination between these agencies during the formal application review process are in place, there are no formal procedures for coordination during the pre-application phase. In addition, because of the lack of a strong pre-screening tool or formal evaluation process within DES, it is challenging, and time consuming, to identify other non-LRM programs that should be involved in a pre-application meeting with a project.

2011 Wetlands Program Improvement Grants: IPI staff assisted in the initial acceptance and set up for the new grant awards, including developing accounting systems to track staff time by specific grant tasks. Work under these grants will begin in earnest in 2012, including supporting three new lean events focused on improving the wetlands technical permit review and complaint investigation processes.

LRM Process Improvements & Integration: During this quarter, IPI staff assisted with other process improvement efforts including: (1) Revising the forestry permit-by-notification form and process; (2) Further streamlining the notification of Local River Management Advisory Committees of applications received by DES for projects located with a Designated River

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Corridor by finalizing changes to the applications pertaining to this topic and moving the notification of the LAC by LRM to the same-day Application Receipt Process (that IPI helped put in place over a year ago); and (3) Conducting an evaluation of and additional refinements to the new Application Receipt process to further reduce data entry errors and address other concerns.

IPI staff continue to support a broader effort to integrate additional functions across the four Land Resource Management permit programs having facilitate bi-monthly meetings of the program administrators to identify goals and develop a coordinated action plan, facilitating meetings to fully integrate the remaining administrative support functions, and coordinating the process to physically re-organize the location of staff and equipment within the office to support a more integrated and coordinated approach by these programs.

IPI staff began working with the LRM programs to establish a new set of measures that will allow for continual evaluation of program performance and activity levels. Measures for permitting activity and review timeframes, environmental impact/benefit, and financial conditions are being identified. Changes to permit tracking and data entry protocols and requirements as well as the development of new programming to generate the standard reports will be required to support regular reporting and updates for the measures defined. This effort responds to an early challenge faced by the IPI because we were unable to calculate review timeframes for each step of the review process for standard permits to compare IPI project reviews against. The development of new, and more detailed, measures will allow for more detailed program and permit process evaluation going forward.

Integrated Land Development Permit Legislation: IPI staff revised the proposed legislation further based on continued conversations with stakeholders and presented a final revised version to the Senate Energy and Natural Resources Committee in December. The Committee voted 4-0 Ought-to-Pass as amended. The bill now proceeds to the Senate Finance Committee for consideration because the legislation calls for new funding of two positions to implement the new program. If approved by Senate Finance Committee, the bill moves to the full Senate and then to the House for consideration.

Projection of Future Activities

In addition to continuing the above work, DES will turn to finalizing materials developed during the IPI, completing the evaluation of the project, and beginning to prepare our outreach materials and final report. Unfortunately, the proposed session for the American Planning Association's annual conference to present the results of this project was not accepted. Other vehicles and venues for sharing our learning with other states will be explored.

As noted previously, the final assessment of the IPI is expected to be largely qualitative in nature, particularly given that none of the pilot projects are expected to be constructed within the grant period. To the extent possible, some quantitative assessment of the stormwater management proposed by the pilot projects will be done, and our QAPP updated to reflect the approach to be used for this quantitative assessment.

One difficulty facing the IPI staff is the pull from the LRM programs to “move on” and support new program and process improvement efforts that extend beyond the IPI before the final

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evaluation, report, and outreach on the IPI is completed. In one way, this is a measure of the IPI's success in that, through working on the IPI and with IPI staff on various process improvement efforts over the past 3 years, LRM staff are now more engaged and energized than ever to revise and improve their programs. Although not all staff respond positively to the proposed changes, many more are participating and taking on new responsibilities to move the programs forward. In addition, senior leadership is very much engaged in the success of these efforts. As a result, it is expected that we will require the full remaining time in the grant period of performance to complete the remaining and final activities of evaluation and report preparation.

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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"> Distributed revised Integrated Land Development Permit proposed legislation.
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"> Completed in prior quarters. Selected DES staff teams (from IPI-pool) for two new 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. No additional outside consultant support anticipated. Remaining consultant funds will be put toward staff time to finalize the project materials.
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	<ul style="list-style-type: none"> Completed in prior quarters.

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Task #	Task Name	Task Description	Start Date	End Date (bold = revised 10/10)	Task Status/Activity this Quarter
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"> Completed in prior quarters; continually revising based on experience with pilot projects. Identified the need to better define process of early, initial coordination with other state and federal entities and to prepare a more rigorous screening tool to identify other agencies and other non-LRM DES programs that should be involved in discussion for a particular project. IPI staff are participating/providing input to 2 state-level efforts to improve multi-agency coordination (the NH Customer Service Initiative) and provide cross-program information and identify permitting requirements (the Governor’s OneStop project).
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"> No Action 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"> Completed in prior quarters.

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Task #	Task Name	Task Description	Start Date	End Date (bold = revised 10/10)	Task Status/Activity 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"> Worked with LRM programs to identify standard, more detailed measures of permitting and program activity to support improved program evaluation and management in the future.
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"> No activities this quarter.
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"> Accepted a request to coordinate the pre-application discussion and permitting of a large quarry expansion following the approach proposed under the IPI and the Integrated Land Development Permit Legislation.
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"> Completed in prior quarters.

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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"> Identified potential issues and appropriate programs and staff to involve in pre-application discussions for a dam modification project associated with Cotton Mill pilot project. Identified potential issues and appropriate DES programs & external entities & made arrangements for a conceptual pre-application discussion in January 2012 for a Pike Industries Quarry Expansion project.
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"> Submitted a proposal to the American Planning Association to present at their annual conference on the IPI and value of Lean techniques for improving permit review processes. Proposal was not accepted. Presented on Integrated Land Development Permit legislation to the NH Chapter of the Society of Professional Engineers. (Dec 2011) Presented revised legislation and discussed experience under IPI as related to proposed new Integrated Permit program to NH Senate Energy and Natural Resources Committee. (Oct & Dec 2011)
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 October 26, 2011.

Financial Report

Through December 30, 2011, we have expended about \$245,165 of the grant award (approximately 89% of the grant award). This is a reduction from the amount we reported as expended in the prior quarterly report due to revisions in the expenses charged to the grant to date.

Additional expenditures for staff time and benefits were incurred this past quarter but have not yet been charged to the grant as additional accounting steps are now required because the new position established under the grant was transferred to another account effective July 1, 2011. We anticipate exhausting the remaining budget for staff time and benefits and requiring an additional adjustment to the grant budget for additional staff time and benefits once the staff time for last quarter is fully accounted for and expenditures are transferred to the grant. Once these calculations are complete, we will determine the need for and, if required, submit a formal request to modify the grant budget accordingly.

Time expended by state-funded personnel as match on the project is being tracked using a specific timesheet code. During this quarter, just over \$8,915 in match was provided. The total value of match time to date is just over \$190,600 (which equals around 41.5% of total project cost as budgeted, fully satisfying the match requirement for the grant of 40.2% and \$184,719).