

Updating Fees Charged Under the Metropolitan River Protection Act (MRPA)



By Katherine Zitsch, P.E., BCEE
Managing Director, Natural Resources Group

Background

- Metropolitan River Protection Act (MRPA)
- State legislation passed in 1973
- Created 2000-foot Chattahoochee River Corridor
- Directed ARC to adopt Plan to protect land and water resources of the Corridor

Chattahoochee Corridor Plan

- Limits land disturbance and impervious surfaces
- Limits development in floodplains
- Provides a 50-foot undisturbed buffer and a 150-foot impervious setback along the Chattahoochee River

Background on MRPA Fees

- MRPA review fees were last updated in 1985
- In recognition of the regional benefits of MRPA, the goal in 1985 in setting fees was to defray between 50% and 75% of ARC costs
- Based on recent experience, 1985 fee structure covers approximately 10-15% of ARC's costs

MRPA Reviews and Vulnerability Category Reevaluations

- MRPA fees are currently charged only when someone submits a development application to ARC for full review
- Increasingly, ARC staff also conduct “vulnerability category reevaluations” based on new site condition information
- Current ARC MRPA rules and regulations do not authorize fees for vulnerability category reevaluations

Vulnerability Category Reevaluations

- Involves reviewing new information on the following site conditions:
 - Soil erodibility (based on NRCS soil types)
 - Geology
 - Vegetation
 - Slope
 - Hydrology
 - Aspect (direction of slope)
- These site conditions determine vulnerability categories, which in turn affect the amount of clearing and impervious area allowed to be developed

Proposed MRPA Fee Update

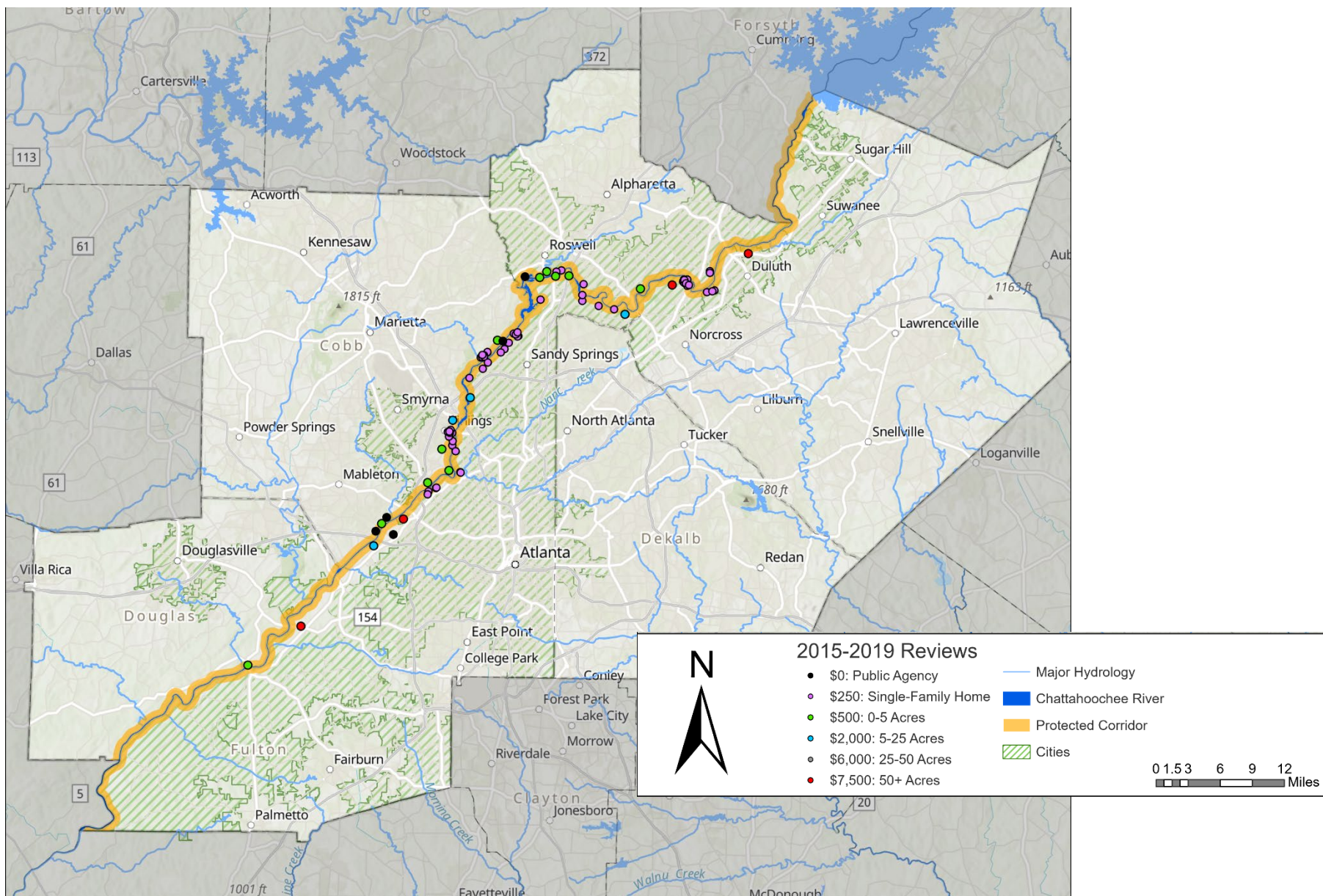
- Update review fees to defray a portion of ARC's current costs similar to 1985 approach
- Add a smaller fee for vulnerability category reevaluation, which will be credited against review fees if full review determined necessary and submitted within 3 years
- Phase in fee increases over two years (starting in July 2021)
- Provide for annual automatic fee increases based on Bureau of Labor Statistics' Employment Cost Index starting in 2023

Recent MRPA Review Fee History

<u>Annual MRPA Review History</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Assumed Year</u>	<u>Assumed Yr Revenue</u>
Single-family home	8	14	18	13	9	12	\$3,000
0 to 5 acre review area	0	3	4	2	2	2	\$1,000
5 to 25 acre review area	1	1	0	0	2	1	\$2,000
25 to 50 acre review area*	0	0	0	0	0	1	\$6,000
50 or more acre review area	0	0	0	0	3	1	\$7,500
Public Agency	0	1	0	2	3	1	\$0
						Total:	\$19,500

*Note - Even though there were no 25 to 50 acre reviews in this period, we have often performed these reviews in the past

Recent MRPA Review History



Fee Update Options

<u>Review Application Fee</u>	<u>2020 (Current)</u>	<u>33% Cost Recovery</u>	<u>50% Cost Recovery</u>	<u>75% Cost Recovery</u>
Single-family home	\$250	\$450	\$680	\$1,020
0 to 5 acre review area	\$500	\$900	\$1,350	\$2,040
5 to 25 acre review area	\$2,000	\$3,600	\$5,400	\$8,170
25 to 50 acre review area	\$6,000	\$10,800	\$16,200	\$24,520
50 or more acre review area	\$7,500	\$13,500	\$20,250	\$30,650
Public Agency	\$0	\$0	\$0	\$0
<u>Vulnerability Category</u>				
<u>Reevaluation Application Fee</u>	<u>2020 (Current)</u>	<u>33% Cost Recovery</u>	<u>50% Cost Recovery</u>	<u>75% Cost Recovery</u>
Single-family home	\$0	\$230	\$340	\$510
0 to 5 acre review area	\$0	\$450	\$680	\$1,020
5 to 25 acre review area	\$0	\$1,800	\$2,700	\$4,090
25 to 50 acre review area	\$0	\$5,400	\$8,100	\$12,260
50 or more acre review area	\$0	\$6,750	\$10,130	\$15,330
Public Agency	\$0	\$0	\$0	\$0

*All numbers rounded to nearest \$10 increment

Fee Update - Expected Revenue

ARC's annual cost in 2019 was \$143,000 for administering MRPA, which covers salary and fringe of one MRPA-dedicated FTE plus managerial and legal support

<u>Fee Update Expected Revenue*</u>	<u>33% Cost Recovery</u>	<u>50% Cost Recovery</u>	<u>75% Cost Recovery</u>
Vulnerability Category Reevaluation:	\$17,000	\$26,000	\$39,000
Reviews:	\$29,000	\$45,000	\$67,000
Total:	\$46,000	\$71,000	\$106,000

*Expected revenues are based on the number of reviews and vulnerability category reevaluation performed from 2015 to 2019; dollar figures on this slide are rounded to the nearest \$1,000.

Process for MRPA Review Update

- MRPA fees are provided for in the MRPA rules and regulations
- The process for updating the rules and regulations includes
 - (1) Consultation with local governments
 - (2) CRC action
 - (3) Public notice
 - (4) ARC board approval
 - (5) Notification of appropriate state entities
 - House Natural Resources and Environment Committee
 - Senate Natural Resources and the Environment Committee
- While addressing MRPA fees, additional minor updates are included to reflect changes to ARC's governance and committee structures

Proposed Schedule

- Oct 2020 – CRC presentation and recommendation
- Nov 2020 – Consult with local governments in the MRPA corridor on CRC's recommendation
- Jan 2021 – Return to CRC for action item approval
- Jan/Feb 2021 – Public notice and comment
- Mar 2021 – ARC Board action
- July 2021 – Implement new fees