

## “Cooperation Solved This Problem”

by Donald P. Schwartz, MS, Regional Manager PA & NJ and  
Sukhwindar P. Singh, Director of Training and Education

A very special ceremony occurred on January 19, 2006 in Sewickley Township, Pennsylvania. USDA Rural Development presented a check for \$15,495,000 to the Sewickley Township Municipal Authority to pay for the construction of wastewater collection and treatment facilities in the villages of Rillton, Herminie and Cowansburg, as well as other portions of the Township. The system will serve approximately 3400 persons (1394 equivalent dwelling units).

In addition to the Rural Development contribution, the system will also be funded by Pennsylvania’s state revolving loan fund, PENNVEST. With a future application PENNVEST will provide \$2,071,300, while local residents will contribute \$1,254,000 through tapping fees.

*“Federal officials said that funding and construction of this project will eliminate the ‘largest remaining discharge of untreated sewage in southwestern Pennsylvania’.”*

[Pittsburgh **Tribune-Review**, Friday, January 20, 2006.] The long struggle to reach the check presentation ceremony exemplifies, in the words of USDA Area Specialist Barbara McMillen, how “cooperation solved this problem.” RCAP Solutions is proud of



Community leaders, elected officials, USDA staff from Washington and Pennsylvania celebrate Sewickley’s Big Check.

the role it played in finalizing the funding as a partner with USDA and Sewickley Township.

### At the Heart of the Problem

Sewickley Township is located in Westmoreland County, about 20 miles southeast of Pittsburgh. Similar to much of this part of Pennsylvania, Sewickley Township has a past history of coal mining. Currently, the Township is a mixture of small, older rural communities and newer, growing subdivisions resulting from suburban growth.

In the older communities, sewage disposal has in many cases been

handled by the direct, piped discharge of untreated waste into local streams. Other homes discharge untreated wastewater directly to underground coal mine shafts. In fact, Township officials report that sewage disposal “fields” were often created in the past by exploding sticks of dynamite in the shafts.

The problems in Sewickley Township were well known to local and state officials in recent decades, and planning for centralized wastewater treatment and collection facilities began a number of years ago. The first meeting

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with USDA occurred in June 1994. A newspaper article from 1995 included the following commentaries, which highlight the severity of the issue:

“(Residents) Cantini and Ross spend about \$300 yearly to clean the catch basin (at Sewickley Avenue and 3rd Street in Herminie). Otherwise, the basement of Cantini’s building would be knee-deep in raw sewage.”

“You’d walk in and you’d swear you were walking into an out-house,’ said Cantini.”

“It’s held back a lot of progress in this town (Herminie)...there’s many who want to come into town, but they can’t because there’s no sewage [treatment].”

“In addition to environmental violations, property values are suffering because of the lack of a sanitary sewer system....”

“Herminie is now a town of renters.”

**Looking for Solutions**

The original application to USDA was filed in July 1998. The proj-



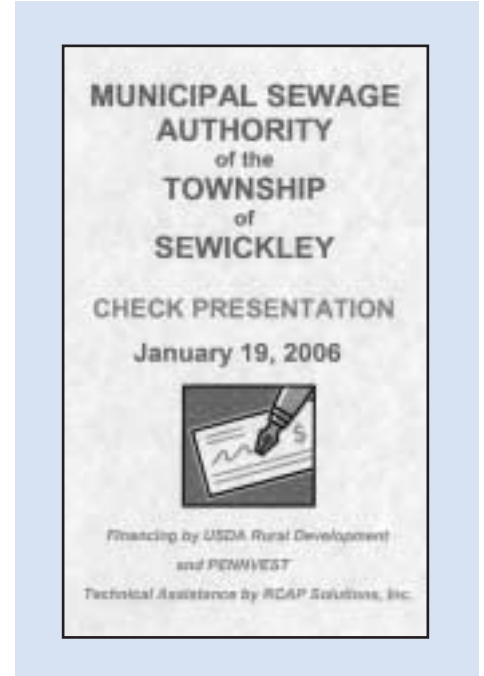
*Snow Trillium (Trillium nivale), rare plant discovered at two sites for the treatment plant.*

ect (similar to many in rural communities) took many twists and turns over the next seven years, with a number of false starts. The original application was for a joint project with neighboring Hempfield Township (over \$20 million in 1998 dollars). Eventually, Hempfield Township decided to withdraw from the project, and Sewickley worked towards developing its own facilities. At one point, a large, \$28-million project was proposed, serving multiple areas of the Township. Funding limitations, both State and Federal, made a project of this size unrealistic.

The USDA application was stalled for some time due to the snow trillium (*Trillium nivale*), a plant classified as “rare” under the Pennsylvania Wild Plant Conservation Act. It was discovered in 2001 at two preferred sites for the treatment plant. Therefore, other location options had to be considered.

The analysis was complicated by issues related to both cost and citizen concerns for the siting of the treatment plant. Ultimately, an \$18-million application for the final project (described above at the funding ceremony), was submitted to USDA. As a result of the high project cost, USDA and PENNVEST agreed to work on a co-funding effort, with PENNVEST proposing to fund the construction costs for the portion of the system in the village of Rillton.

However, by early 2005, the project was still languishing. The USDA project selection criteria system for ranking



projects awards from 5 to 25 points under the “population priority” category, with small systems (less than 1000 persons) receiving the maximum number of points, and larger systems receiving fewer points. Since the Sewickley project will serve over 3000 persons, it received the minimum number of points (5), and was ranked far enough behind other projects that it appeared it could be years before funding was available.

**SCORE~!**

The project selection criteria system allows for up to 15 points to be awarded at the discretion of the USDA State Director. Early in 2005, RCAP Solutions was contacted by USDA and was asked to provide an independent, third-party evaluation of the situation in Sewickley. Donald Schwartz, RCAP Regional Manager for Pennsylvania, conducted a site visit and evaluation on February



*The presentation of the USDA Rural Development check with Don Schwartz, PA & NJ Regional Manager, RCAP Solutions, Daniel Schmitt, Project Engineer, Barbara McMillen, Area Director, USDA Rural Development, and William H. Miller, Chairman, Municipal Sewage Authority.*

22, 2005. Correspondence was forwarded to USDA several days later, containing the following comments and recommendations:

“The situation in Herminie is, quite literally, nauseating. I am shocked that the citizens of the village are living with these conditions. It appears that most, if not all, of the homes discharge wastewater either to storm sewers or through direct straight pipes to Little Sewickley Creek.... There was an odor of sewage (on a day with temperatures in the 20s), along with visible evidence of toilet paper and human fecal waste. Many of the homes at one end of town discharge through a communal pipe into a sewage “swamp.” I have never seen anything like this before while working in Pennsylvania...there are locations in the village where children could easily come in contact with raw sewage.”

“This situation, in my opinion, constitutes an immediate and serious health and environmental hazard. I offer my strongest recommendation that the project in the area receive any discretionary points that could increase the ranking for USDA funding.”

Submittal of this correspondence was followed-up by a meeting with USDA officials to discuss the site visit. The seriousness of the problem was again stressed, with a recommendation to award discretionary points.

Later in 2005, RCAP Solutions was contacted and informed that the USDA State Director had awarded the maximum number of discretionary points (15), and because of the increase in the

point score, Sewickley now ranked first for funding by USDA. A final grant and loan package was developed and awarded, followed by the check ceremony in January 2006. The input from RCAP Solutions was identified as an important factor in providing impartial evidence of the need for the award of discretionary points.

Barbara McMillen, the USDA Rural Development Area Specialist working on the project, noted that “cooperation solved this problem”—cooperation between funding agencies, Sewickley Township, and RCAP Solutions. The knowledge and experience of RCAP Solutions in wastewater issues facing rural communities was utilized to help solve an extremely serious problem, with long-term benefits to the citizens of Sewickley Township and the environment. RCAP Solutions is pleased that it could be a partner in this effort. ■



*Madge Goldman, Board Member, RCAP Solutions, chats with Senator Santorum.*



# Triumphing Over the Apparently Impossible

An interview with Bill Webb

*Bill Webb, Director of RCAP Solutions' Community Development program, is retiring after almost two decades of service as a technical assistance provider in the Northeast, largely in New York State. **From Watershed to Well** asked him to take a look in the rear view mirror and also at the road ahead.*

**Watershed to Well:** *What types of situations come to mind as having been, at least at the outset, problems that communities felt were overwhelming—yet where RCAP has been able to help make a difference?*

To a degree, coming to the realization that they face difficult issues (like public acceptance, affordability, potential for success, land acquisition, etc.), but not knowing where or how to begin the process can create a sort of paralysis for community leaders.

Helping communities understand the scope and nature of the problem, the processes involved in getting to the solution, the resources available to them, and the fact that other communities in similar situations have developed successful projects are just some of the ways RCAP Solutions can help.

RCAP recognizes that building the confidence of community leaders is a very important element of our work. When successful this legacy equips the community to cope more readily with future situations.

**WtW:** *What do you see as having been the key to unlocking solutions to apparently 'unsolvable' problems?*

First of all, for a Technical Assistance (TA) provider to be successful it is necessary to build credibility with the community. Once this has been established, a partnership of trust has been established.

In the best instance, the TA provider has created a "third party neutrality" role. This, in turn, allows the TA provider to undertake the task of coordinator and facilitator, which I believe is what has made our intervention in community projects so successful.

**WtW:** *Do you see changes in the types of situations and challenges rural communities face now compared with when you started at RCAP Solutions in 1988?*

Community projects have grown in complexity over the years.

More teamwork by TA providers is essential to the success of any given project. Funding agencies want to see how facilities development activities fit into the overall plans for the community.

Projects have grown more expensive and this requires several funding sources in order to make projects affordable. Construction money is really tight, so applications for funding must be of the highest quality to be considered.

Planning for the project is now taking much more time and has become more expensive. This in turn means more work for TA providers and stretches their thinking and activities into new areas: downtown revitalization, community sustainability, strategic planning. Therefore individual projects become lengthier and require that more stakeholders have an input.



**WtW:** *Do you have thoughts for either communities or RCAP, or both, that you would like to share as you take that great step into retirement?*

Planning for projects in the future will take more time and effort, especially as funders are now asking how a project will benefit the community by making the community sustainable, a better place to live.

Grant money is becoming really difficult to get, so prepare the residents for this, and the necessity of having to borrow money to improve their infrastructure.

You may find that the project—in its present form—is not affordable, so it's vitally important to involve the public early and often, so that the people can feel that they have a say in their lives.

Make plans to make your present facility last longer—through good management and proper maintenance.

Community leaders come and go, so make a strong effort to help the community develop an institutional memory. ■

# Mohrsville, PA: A Public/Private Partnership Towards Compliance with the New Arsenic Rule

By Thomas W. Essig, Jr.  
Master Trainer for System Security

The Mohrsville Water Association is located in rural northern Berks County, Pennsylvania. The residents are mostly retired and middle class families. There are only three commercial establishments in town. Most of the working families commute the approximately 10 miles to the City of Reading. Local agricultural operations consist of (dairy and chicken farming, and corn, soy beans and alfalfa growing.

The Association charges a one time tap fee of \$100, and a \$300 membership fee. The tap pays for the connection, and the membership fee gives one vote at the annual organization meeting. The \$300 is returned if the customer leaves the system.

There are approximately 120 “equivalent dwelling units” (EDU’s) connected to the system. The current rate structure is \$30 per quarter for the first 3,000 gallons and \$3.50 per 1,000 gallons, thereafter. The water system was built in the 1960’s with ductile iron mains and copper service connections. It provides fire

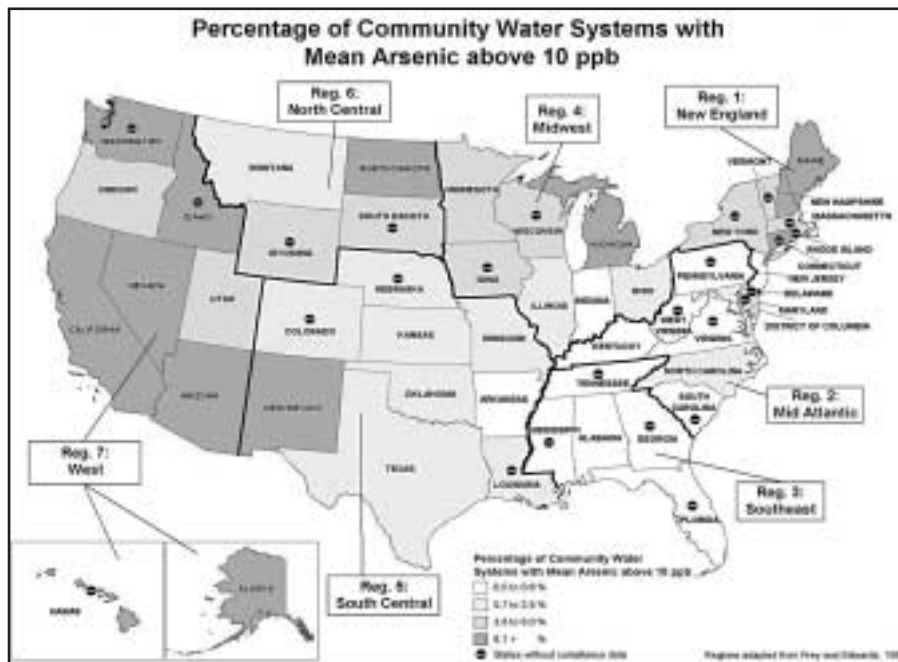
protection. There is one source, a well rated at 100 gallons per minute, and a 120,000 gallon storage tank. Sodium hypochlorite is added to provide chlorination disinfection. The system has had no permit violations, and the certified operator, Mr. David Smith, describes it as “a good, dependable system, which is pretty easy to operate.”

with the U.S. Environmental Protection Agency (EPA) to conduct a variety of research on topics that the EPA will fund for the upcoming year. In 2004, the ETC agreed to research the effectiveness of Point of Use (POU) technologies in the treatment of arsenic in a residential area. POU technology provides for treatment at one single point of use per

household, typically under the kitchen sink. This differs from Point of Entry (POE) technology, where a larger unit is installed at the service connection in the basement and treats the whole house. This topic was of particular interest because the EPA had adopted a new, more stringent arsenic rule that lowered the maximum contaminant

level from 50 parts per billion (ppb) to 10 ppb. The new rule became effective on January 23<sup>rd</sup>, 2006.

In order to test the real-world application of these technologies, the ETC contacted the Pennsylvania Department of Environmental Protection (DEP) for a list of water systems that would be in violation of the new



## The Project

The Penn State Environmental Training Center (ETC) is located at the Penn State Harrisburg Campus in Middletown, Pa. It delivers operator training services for water and wastewater systems as well as professional training across a breadth of environmental issues. The Center also works

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## Compliance with the New Arsenic Rule

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standard. They contacted over 20 systems with an offer to participate in a pilot program, at no cost to the system. Very little interest was expressed by any of the systems until Ms. Alice Renshaw, president of the Mohrsville Water Association, was contacted. She was thrilled to participate.

Mohrsville has an arsenic level of 25 ppb, which was currently in compliance with DEP standards, but would be in violation of the new arsenic rule. The ETC chose Isolux Technologies, and their patented zirconium-based adsorbent media to be the POU provider for the Mohrsville pilot study.

Results were impressive. POU filter cartridges were placed in service for a full year of testing. Unfiltered samples at the test homes averaged around 25 to 30 ppb throughout the testing period. During the same time, arsenic was not detected in the treated water.

However, in Pennsylvania, the Department of Environmental Protection (DEP) will allow POU treatment in only very limited applications—in very small or “grandfathered” systems that were utilizing the POU’s before the regulations prohibited them. Concerns that the DEP have over POU processes include the following:

- Who is responsible for the performance testing—homeowner or water system?
- Who is responsible for filter replacement—homeowner or water system?



POU (Point of Use) filter cartridges for the treatment of Arsenic in a residential area.

- Who will provide service to the filters—homeowner or water system?
- EPA requires that an operator regularly enter the property and inspect the device;
- POU requires operator training and certification.

Under these restrictions, Mohrsville would have to consider another option. While the EPA approves the use of POU applications, the PA DEP has the final say and can adopt and enforce stricter standards.

### Back to the Drawing Board

It became evident that Mohrsville would have to consider a centralized treatment system, to be installed at their treatment facility. Various treatment technologies were researched to determine which would best meet

Mohrsville’s needs. More complex and expensive systems, such as ion exchange and reverse osmosis were ruled out, due to Mohrsville’s small size and limited budget. Based on the impressive test results, Isolux1\* was selected to provide the system. Isolux also provides centralized treatment utilizing the same zirconium technology.

The ETC director, Dr. Charles Cole, realized that this project would be much more expensive than the POU treatment and contacted Mr. Donald Schwartz at RCAP Solutions’ PA headquarters, who assigned the project to the author.

Working in conjunction with the several state and federal agencies, RCAP Solutions assisted the Mohrsville Water Association, to achieve the following results:

\* RCAP Solutions does not endorse products but references the actual product selected for the sake of clarity.



1. Working with the DEP Capability Enhancement Facilitator, Kristen Hice, the permitting process was streamlined, and budgeting and compliance-related issues were addressed.
2. Jim Knoll, an engineer at Isolux, completed the treatment design at no cost. However, design review cost \$4,500. Capital costs for equipment were estimated to be \$105,000.
3. Several funding programs were evaluated, and it was recommended that Mohrsville seek Community Development Block Grant (CDBG) funding, due to the relatively quick response time of the program. Congressman Tim Holden's office was contacted, and a member of his staff met with Ms. Renshaw. Rep. Holden agreed to write a letter of support for the project. The letter was sent to the Berks County Commissioners requesting funding, and emphasizing the "Health hazard (of) arsenic in water, and (the need to address outstanding) EPA violations." The county earmarked \$150,000 in 2006 CDBG funds.
4. Various measures to achieve overall capacity were introduced, including training in operational techniques such as annual flushing of the distribution system and developing a budget.
5. Cost saving measures, such as "in-kind" labor utilizing membership to build the arsenic treatment shed, for instance.

Alice Renshaw commented, "In the early part of the project, all of the technical terms, compliance issues and technology were really confusing. I began to feel overwhelmed by not understanding things or knowing what to do next. RCAP Solutions came through 'Big Time' and has been enormously helpful by bringing in the right people, providing ideas and direction...and all for free!!!!!!!!!!!!!"

**What's Next:**

The Mohrsville project is a work in progress. Construction bids will be advertised, analyzed and awarded. The equipment will then be installed, tested and brought on line. Because RCAP Solutions was able to bring the right players to the project (Mohrsville Water Association membership, Isolux, US EPA, PA DEP, and the ETC), Mohrsville has a very high chance of achieving success in reaching arsenic compliance with as small an impact as possible on customer rates. Stay tuned. ■

## Running Water is a First for Woman

### Now she doesn't have to carry jugs of water from neighbor's home

*By Marc Parry, Staff Writer, Times Union*

*(reprinted by permission of Times Union, Albany, NY, issue of Dec. 22, 2005, section B page 3)*

For years, Nina Taber had running water. She ran and got it.

She used to fill up pails at a well outside, but when that went bad she took to wheel-barrowing one-gallon jugs home from a neighbor's. Eventually her son-in-law started bringing her the jugs. He carped when she called for more, though.

"No fun," she said of the situation. "Believe me."

But would you believe? At 64, this woman whom the Times Union held up as a portrait of rural poverty in a Holiday Fund story last year, got running water this month for the first time in her life. Her house was hooked up as part of a more-than \$2 million

project that planted a new water district in the heart of this southern Albany County village. The whole thing is so new, it still dumbfounds her.

There's just one catch.

She doesn't have plumbing.

Instead, the water pipe pokes up through the floorboards right into the living room, a cramped place where the air carries a stuffy mixture of heat and old cigarette smoke and the odors of eight cats and two dogs.

A green garden hose snakes the chilly water over to the kitchen sink. On the way it passes some parakeets and pretty near Taber's cousin, Marie Disbrew. The 82-

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**Running Water is a First for Woman**

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year-old really hopes the hose doesn't break because she sleeps on the living room couch. She said that as she was sitting on the couch the other day, chewing gum. "I chew a lot of gum for my nerves," she explained. "Anybody gets 82, you need gum."

The long-planned new water district serves about 86 properties within the village of Westerlo—not the town, just the village. The hookups were completed about two weeks ago.

The new district replaced two aging systems in the village. On the north side, people were drawing water from the private well that serves the Hannay Reels Company. On the south side, they tapped a well on town-owned land. "That system had its problems," said Ken Drumm, who served on the committee that helped develop the water district. "The county Health Department oversees both of these systems and had encouraged the town to clean them up."



Foundation for the new plant in Westerlo

For Taber, the water means that for the first time in years she doesn't have to worry about conserving her precious stockpile of jugs. It means no more wondering whether she has enough water to clean the floor or take a bath or wash her stockings. Talking about her new water pipe recently, the novelty of the thing made her giggle repeatedly.

She giggled extensively telling the story of how she accidentally flooded the floor with gallons of water, "It's all new to me," she said, giggling. "I've never had running water before. You will make boo-boos, I guess."

She'll probably make less of them soon.

Taber, a widow who has multiple illnesses, turned to her church for help with the plumbing. The church will pay for the pipes that will bring water to her kitchen tap, she said, possibly as early as today. The workers will also put in a new water tank.

Which will bring yet another novelty. Hot running water.

"Praise God, right?" Taber said Wednesday. "Because right now my hose gets worse and worse. Every time I use it, it leaks more.

"I think this is the best present anyone could get for Christmas." ■



Tanks inside the new plant

**RCAP & the Westerlo Water Project**

RCAP Solutions played a significant role in the development of the water project that now serves **Nina Taber**.

In response to an initial RCAP staff recommendation, one of the first steps taken by the Town Board was to establish a citizen water committee to advise the Board and to oversee the detailed project planning. The Board appointed an outstanding committee of citizens headed by Ken Drumm which worked tirelessly.

For over five years, RCAP specialist Bruce Goodale worked as a team member with the Committee, the Board and Town staff, and the Town's engineer Vollmer Associates on numerous tasks. This entailed participation in dozens of meetings and work sessions. Through this process, the community was kept fully informed and involved, and broad support for the project was secured.

Important work tasks that RCAP provided technical assistance with included:

- Establishing a water service district
- Developing an acceptable project design
- Performing technical and cost analyses
- Securing project financing and regulatory approval
- Overseeing project construction
- Developing water system rates and regulations

The overall cost for the completed water project is nearly \$2.2 million. The project was financed with a \$1,275,000 grant and \$900,000 interest-free loan received from the Drinking Water State Revolving Fund.

One of the more satisfying aspects of RCAP involvement was obtaining an additional \$82,500 CDBG grant from the Governor's Office for Small cities to finance water service connections for low income residents. This grant paid the hook-up costs for needy residents such as **Nina Taber**.

On February 16, 2006 Westerlo Water District #1 received an American Public Works Association (New York Chapter) award in the Environmental/Water \$2-\$10 million category.

*B. Goodale, P.E.*

*RCAP Solutions—retiree*



# Revitalization of a Hamlet in Northern NY

By A. Scott Mueller, Regional Manager, NY

## Setting the scene

At one time, the Hamlet of Redwood, located in Northern New York State, was a very busy place. Things have changed, however. With the loss of the train stop, school, glass factory, cheese factory, a car dealership and many other local establishments, the community has lost its economic steam. Some businesses, such as the Redwood National Bank, have survived in what has become a pass-thru community for folks traveling to the Canadian Border and, more recently, as a bedroom community for soldiers stationed at Fort Drum with the 10<sup>th</sup> Mountain Division.

The local economy is not the only thing that has declined within the hamlet. Even though it is sandwiched in the Indian Lakes Region where water is abundant, the aquifer within the hamlet area is contaminated by poor petroleum storage and handling, and in almost all areas of the community it is un-drinkable.

The economy of this community is struggling in many ways, in part because of a change in transportation from the rail system to automobile, but the housing market and inability to sell your home with a contaminated well is in some ways a more concerning struggle. Mostly because of the petroleum contamination problem the value of the housing stock has dropped significantly. The old adage out-of-sight, out-of-mind holds true with many communities and disposal of waste. For the Hamlet of Redwood, this is an extremely expensive approach to watershed management as it hits

the community's pocket book and also individual bank accounts.

The majority of residents within Redwood use bottled water for drinking and rely on wells for utility purposes. Water quality problems, including coliform bacteria, leaking underground storage tanks, and elevated lead levels have been well documented by the New York State Department of Health (NYS DOH). In addition, the hamlet does not have a water distribution system that will support fire protection.

## Moving toward solutions

The regional economy is dominated by Alexandria Bay, which is an entry point to the U.S. from Canada, by way of the 1,000 Islands Bridge. The Towns of Alexandria, Theresa, and the Village of Alexandria Bay are pursuing a regional inter-municipal services project, which will deliver potable water from the Village of Alexandria Bay to the Hamlet of Redwood.

This inter-municipal project was judged the most cost-effective solution because few practical alternative sources of water exist. Possible surface water supplies from three fresh water lakes were evaluated, but costs associated with the required treatment facility for long-term operation were considerably greater than the community could bear. This selected alternative will also eliminate the duplication of expense and effort to develop a water source in Redwood.



Delivery of bottled water in Redwood, NY

Redwood will purchase water from the village of Alexandria Bay and install a seven mile feeder line to the hamlet. Fire hydrants are being provided throughout the supply/distribution system, both for line maintenance and fire fighting. The distribution system will be metered at the point of connection at the Village/Town line. Surrounding Villages and Hamlets may also benefit from the transmission line giving them the option of connecting to the system in the future.

In order to do this, inter-municipal agreements are being developed along with an infrastructure asset management plan that includes capitol planning and rate structures. Funding commitments have been received by several agencies to assist with affordability issues associated with the project.

These measures are meeting the situation with an affordable solution. The region-wide benefit is that several communities collectively are now working together to correct the water quality issue in one community, which will benefit and promote both the local, and the regional economy. ■

# Affordable Housing and Sewer Problems: The Struggles of One Senior Housing Community

By Sarah J. Curley, Community Development Specialist

*In Massachusetts, housing prices are escalating twice as fast as income. Since 1996, according to the Community Preservation Coalition, housing costs have increased 42% while income has increased only 21%. These statistics make it evident that affordable housing is a serious problem. This article describes how, in one small community within Sturbridge Massachusetts, the affordable housing problem is affecting a group of senior citizens.*

## The problems—in Brief

It has been a long, hard road beginning in 2002 for the Sturbridge Retirement Co-operative Corporation (SRCC), a manufactured housing co-operative. Back then, they faced a dilemma of rising maintenance costs for the 175 unit cooperative. While they searched for ways to reduce those rising costs, they were struck with the blow of needing a new wastewater facility that could cost the community over a million dollars!

This is a lot of heartache for any community, but it was particularly difficult for the SRCC, where over 80% of the residents are senior citizens living on a fixed income.

## Addressing the Basic Issue

When the SRCC recognized the problem of rising maintenance costs, the shareholders voted to purchase approximately 20 acres of adjacent land, with the hope of constructing an additional 50-55 residential units. The co-op believed that this would generate enough revenue to help stabilize their maintenance fee.

## Pandora's Box Opens

It seemed like an easy solution—additional land to construct additional residential units, generating revenue to help pay off the debt incurred. However, during the permitting process, the SRCC received a rude awakening. They were notified that the existing sewer system was out of compliance with the Commonwealth of Massachusetts Regulations. On January 12, 2004 the Massachusetts Department of Environmental Protection (DEP) issued a Consent Order to the SRCC stating that they needed to acquire a Groundwater Discharge Permit. Because of this, the SRCC was forced to seek a new form of wastewater disposal.

## Roadblocks to Park Expansion

Plans to expand the park had to be temporarily put on hold until the sewage issues could be resolved. The SRCC Park Manager Mary Berry began working with the DEP, consulting engineers, and the Town of Sturbridge to determine the most cost effective approach to the situation. There were two main options to consider:

The first was to construct, maintain, and operate a wastewater system on the SRCC property. This alternative had little appeal because of the investment it would require, including ongoing operation and maintenance of the system. Studies determined that, over time, the costs of maintaining their own system would be greater than if the SRCC could work with the Town of Sturbridge on the second option.

The second option was to tie in to the Sturbridge municipal sewer system. The estimated cost of running the Sturbridge sewer line 2.5 miles to the SRCC was \$1.5 million dollars, with an additional \$1 million for the sewer privilege fee. The sewer privilege fee is a tie-in fee paid to the Town by the SRCC, based on the number of units that the sewer serves. In November 2004, the SRCC received approval from the Town of Sturbridge to extend the existing Sturbridge sewer line 2.5 miles to the SRCC property, subject to the payment of the sewer privilege fee.

## Route to the Best Alternative Falls Apart

Because of the high cost of the municipal tie-in, the SRCC began to work with an abutting property owner on an agreement for a joint municipal sewer extension. The neighboring property was undeveloped real estate. With easy

access to municipal sewer tie-in, it would become a very attractive piece of property for potential future development.

The SRCC and the abutter signed the agreement for a joint municipal sewer extension. This was an exciting development. The cost of the construction of the sewer line would now be paid by both the abutter and the SRCC, thus reducing the total cost of the sewer extension for the co-operative. Unfortunately, due to a disagreement over construction cost payment, this agreement later fell apart. The SRCC was once again left with the reality of a sewer problem and no money to pay for it.

The SRCC asked RCAP Solutions to research various funding options for which they might be eligible. Because the SRCC is a private organization, there are few funding sources available.

### Gaining Municipal Support

Coordination with the Town had been ongoing throughout this entire process, but extending the existing Town sewer line 2.5 miles beyond its current location, along an open stretch of Route 15, might invite unwanted development. In a Town that prides itself on its small, quaint, tourist atmosphere, there might not be support for a project that could encourage development. Still, the SRCC tried diligently to negotiate the sewer privilege fee—citing Sturbridge Sewer Bylaws that could potentially lower the sewer privilege fee by basing it on water usage rather than a flat fee per household.

After much deliberation, many meetings with the Board of Selectmen, and conversations with

attorneys, the SRCC was unsuccessful in negotiating a lower fee. It became clear to the SRCC that due to the lack of a healthy partnership for a joint municipal sewer extension, coupled with the high cost of the sewer privilege fee, perhaps the best route would be to construct a small wastewater system on the SRCC property and abandon the municipal tie-in.

### Creating yet Another Option

RCAP contacted the Central Massachusetts Regional Planning Commission (CMRPC), which has worked with the Town of Sturbridge and other Central Massachusetts towns to submit Community Development Block Grant (CDBG) applications in the past. Mr. Bill Scanlan of the CMRPC agreed that the Commission could assist with the application process, if the Town agreed to be the applicant for the funding.

RCAP Solutions accompanied Ms. Berry to a Sturbridge Board of Selectman meeting to request that the Town support CDBG application on behalf of the SRCC. Finally, a very dim light could be seen at the end of this incredibly long tunnel; the Town agreed to support the application.

### Documenting Income Eligibility

Work began on an income survey of each household within the community. A household survey is an essential part of the CDBG application process because the Massachusetts Department of Housing and Community Development requires a study of the demographics of the community in order to determine eligibility for grant funding. Over a period of



Mary Berry, SRCC Park Manager

several weeks RCAP Solutions met and spoke with over 140 residents while conducting the household survey. The household survey was completed in December, 2005, and the results were forwarded to the CMRPC for inclusion in the application. As of this writing, the SRCC and the CMRPC are in the process of gathering the necessary remaining information for the grant application.

### Summary

In a community mainly comprised of fixed-income senior citizens, the necessity of obtaining a grant can not be emphasized enough. There have been many struggles and battles during the last three years, but the determination of the SRCC to maintain affordable housing for seniors has only grown during this time. It is crucial to keep on trying and looking for new alternatives. As Mary Berry, SRCC Park Manager, puts it “If there is one thing I’ve learned in the last three years, it’s that if I’ve been down that road before, I DON’T turn that corner again!” ■



# Help for Manufactured Housing Residents

By Patrick L. Pinkson-Burke, MS, Community Development Specialist

**M**obile homes—now called manufactured housing—have provided affordable homeownership opportunities to individuals and families for many decades. Initially, these homes were indeed mobile. They were often pulled behind a car and placed temporarily (or parked) in small collectives of other travel trailers or mobile homes. This enabled the occupants to adjust to geographically changing economies.

## A Threatening Cloud

Eventually landowners saw an opportunity to develop a small plot of land and park several mobile homes on it for a very small investment. In exchange for water, waste water, and waste disposal the developer could charge rent to several homeowners. In this way, a couple of acres of useless land could generate revenue and become home to a dozen or more mobile homes. This resulted in the homes becoming immobile—anchored in parks by the fixed utilities.

The climate for Manufactured Housing Communities (MHC) is risky these days. With recent increases in land value, the cost of

upkeep of infrastructure and the increased scrutiny by environmental regulatory agencies, there is incentive to many MHC proprietors to sell to developers, who may have quite different intended use for the land. In such circumstances, individuals who own their manufactured home but not the land underneath it are at risk. The land under that home is going to become parking lot for a shopping mall. Such transition not only is a threat to the current manufactured home owner/resident, it results in reduction of sorely needed affordable housing.

## Finding a Safety Net

In many states owners of manufactured housing communities who have a signed purchase-and-sale agreement to transfer the MHC to another party must give the homeowners in the community a written notice of the owner's intent to sell the land. The homeowners have the right of first refusal. In Massachusetts, for example, if 51% of the homeowners form a legal association and collectively decide to buy the park, the homeowners typically have 45 to 90 days to match the sale price. This is a very short time.

## RCAP Solutions Assistance

RCAP can assist manufactured housing (mobile

home) homeowners with the formation of housing cooperatives and the subsequent purchase, management and infrastructure improvement of MHCs.

RCAP Solutions will provide the following types of technical assistance with respect to the acquisition and rehabilitation of candidate manufactured housing communities.

- Determine the viability of the purchase, or other appropriate alternatives including an analysis of infrastructure and managerial issues that are of concern to a cooperative;
- Assist homeowners and managers in organizing as a cooperative or a single source ownership entity;
- Help arrange financing and or/lend funds to the newly formed cooperative for predevelopment work, deposit financing, capital needs analysis, purchase, and rehabilitation;
- Work with the cooperative on self-management, the selection of professional property man-



Manufactured Home Park, Warren, MA



An example of "immobility"

agement companies, or provide those services through our own real estate management department;

- Help homeowners build wealth through capital and equity through owning the land on which their homes sit; and
- Preserve existing homes and resources rather than developing and building new affordable housing.

RCAP will also provide on-going technical support and training on organizational development, property management, board management, and long-term ownership to cooperatively owned parks.

For information, contact RCAP Solutions, 800/488-1969 ext. 6643.



Early "mobile homes"

# Affordable Housing: Challenges and Benefits for Your Community

By Paul A. Teixeira, Vice President of Real Estate Services

## The New Environment

Over the past 20 years, or so, the ability for communities and affordable housing advocacy groups to develop affordable housing has become more challenging, to say the least. Dwindling resources, and the need to combine multiple funding resources has created extremely complicated development deals, which tax the most seasoned developers. More and more often, housing development deals include funding programs that are not really housing programs, but actually IRS programs, such as Low Income Housing Tax Credits (LIHTC).

*Affordable housing is...a quality of life issue that not only benefits the resident or homeowner, but the entire community.*

The LIHTC program allows for affordable housing development, but it also installs a layer of regulatory compliance on top of the other compliance layers already present, along with other resources typically used for affordable housing development.

One fine example I can share with you is an LIHTC agreement we completed a year ago to rehabilitate 35 units of low-income multi-family housing in central Massachusetts. This project not

only has LIHTC compliance as a concern, but the development also has HOME (a program of the U.S. Department of Housing & Urban Development), project based Section 8, and Mass Rental Voucher Program subsidies. So, over the course of the year it has compliance audits by no less than 5 different entities! In spite of the complexities involved, the bottom line is that we have preserved 35 units in an area that could not afford to lose those units.

It is easy to become discouraged when putting these agreements together. The negotiations are very complex and do not come together easily. It takes a high level of commitment by the town. The developer and the sponsor must also be committed to be in it for the long haul.

## Rewards to Residents and Developers, Alike

The successful funding award letter is a wonderful piece of paper to receive. However, most rewarding for me is the sense of accomplishment from watching folks move into their new homes. I have observed many residents in tears because they are so thankful that they can finally return to the town where they were born and raised. High housing costs forced these folks out years ago. They can finally come home and be reunited with family and friends.

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**Affordable Housing: Challenges and Benefits for Your Community**

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Bolton, Massachusetts

**Not in My Back Yard**

In some areas there have been successful attempts by communities to use zoning regulations to impede the growth of affordable housing. In an attempt to get around these zoning issues Massachusetts enacted legislation commonly known as Chapter 40B. This Act allows developers to apply for a comprehensive permit, therefore streamlining the typical permitting process. Most importantly, the Act encourages affordable housing development which is accomplished by allowing greater density than local zon-

ing would normally accept. Over 30,000 units of affordable housing have been developed using Chapter 40B. These include single family homes, condominiums, manufactured housing and multi-family.

Many of the communities that I have worked with over the years had origi-

nally resisted affordable housing development because of many fears. These include: school systems being overwhelmed; community services being stretched thin; and the occupancy of affordable housing from families that may not fit the current demographic of the town. These fears have been

shown to be unfounded, to a great extent.

**Our town and "our" people**

An honest, and often successful argument to make is to point out that most families or individuals who occupy affordable housing units in their town have some tie to the town. It is rare that someone will move to

*High housing costs forced these folks out years ago. They can finally come home and be reunited with family and friends.*

a town with no ties. However, when affordable housing stock in the region becomes depleted this can, and does occur. Desperation for housing is a huge motivation.



Bolton Country Manor, Bolton, Massachusetts



Westborough, Massachusetts

Another strategy to make a case for allowing affordable housing into a community is to ask where town employees such as teachers, firemen, and police officers live. Unfortunately, the answer is "out of town" more often than not. In many cases municipal employees simply can not afford to live in the town where they work.

In addition, the question of "Will your children be able to live in the town in which they were born and raised?" really raises



hackles, but it also lifts awareness. There was a non-profit affordable housing advocate who created an awareness program centered on a campaign that posed the statement, “If you don’t already live here, you probably can’t afford to.” Talk about a lightning rod!

I shared this with a local realtor in a rather affluent town. She deeply resented the language in the campaign, and could not believe I had presented this to the local housing group, of which she was a member. This initial reaction is typical. However, the next day I received a call from her saying that the campaign did have a lot of truth to it.



*Groton Commons, Groton, Massachusetts*

Affordable housing is far more than a “housing” issue. It is a quality of life issue that not only benefits the resident or homeowner, but the entire community. The

sooner communities realize that growth can be a good thing, the sooner the horizons for their communities will expand. ■

On March 6, 2006, Joe McNealy joined RCAP Solutions as our new Director of Community Development. Joe comes to us with more than 20 years of government entrepreneurial experience in a variety of management level



positions, leading the implementation of federal, state and local development. Most recently Joe served as Infrastructure Initiative Coordinator in the Office of Ground Water and Drinking Water for the U.S. Environmental Protection Agency (EPA) in Washington, D.C.

**Welcome, Joe McNealy!**

**UPCOMING EVENT OF NOTE**

RCAP Solutions and other members of the RCAP network will be offering training at the CDS Annual Conference to be held June 25-28, 2006 in St. Louis. Check out the website [www.comm-dev.org](http://www.comm-dev.org) and plan to attend. Topics include: Performance Indicators and Outcomes; Training Tools; Decentralized Wastewater—Recent Developments; Board Training for Small Community Systems; Asset Management, Rates & Long-range Planning.

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