



**Testimony for the Water Rate Board**  
**Re: Support of Philadelphia's Green City, Clean Waters Plan**  
**and the Tools and Strategies That Make it Successful**  
**Submit: March 21, 2018**

Please accept this as written testimony from the Sustainable Business Network of Greater Philadelphia in support of Philadelphia's 25-year comprehensive nature-based stormwater management plan, *Green City, Clean Waters*, and the tools and strategies that support its successful implementation, such as the Philadelphia Water Department's two incentive programs, SMIP and GARP.

At base, the success of *Green City, Clean Waters* is essential to maintaining compliance with state and federal orders under the Clean Water Act – at a cost significantly less than alternative compliance measures the City would be required to implement if *Green City, Clean Waters*' progress should falter (the burden of either approach is borne by all ratepayers, making *Green City Clean, Waters* the best option). However, the benefits of *Green City, Clean Waters* extend far beyond compliance and a lower capital expense. The program has demonstrated significant environmental, social, and economic benefits to the City and our communities.

A 2016 study published by SBN assessed the local economic impact of the first 5 years of *Green City, Clean Waters*.<sup>1</sup> Using SBN's GSI Partners as a proxy for the larger local industry, the report shows local economic growth is resulting from the public and private investments in GSI that are being catalyzed by the plan. SBN's GSI Partners represent a growing subset of SBN's membership (nearly 90 local firms) in sustainable landscape design, build, maintenance, and material supply. At the time of the study, there were 60 local businesses participating in SBN's GSI Partners; they reported experiencing double-digit annual revenue growth from 2013 to 2014. The report conservatively estimated that these 60 local businesses represented an annual economic impact of almost \$60 million within the City of Philadelphia, supporting 430 local jobs and generating nearly \$1 million in local tax revenues.

Our report also makes projections on what can be expected with continued investment in GSI. Conservatively, over the life of *Green City, Clean Waters*, public and private investments in GSI are projected to produce a \$3.1 billion impact in the Philadelphia economy, supporting roughly 1,000 jobs per year and generating \$2 million per year in local tax revenues.

Decentralized, vegetated stormwater management offers tremendous social advantages as well. *Green City, Clean Waters* offers a renewed purpose for a large number of the City's approximately 40,000 vacant lots, many located in our most distressed neighborhoods. Using vacant lots to manage stormwater provides an exceptional opportunity for neighborhood beautification and improvements in community livability. Additionally, a 2015 study conducted by the University of Pennsylvania and the

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<sup>1</sup> [http://gsipartners.sbnphiladelphia.org/wp-content/uploads/2014/07/Local-Economic-Impact-Report\\_First-Five-Years-GCCW\\_full-downloadable-web2.pdf](http://gsipartners.sbnphiladelphia.org/wp-content/uploads/2014/07/Local-Economic-Impact-Report_First-Five-Years-GCCW_full-downloadable-web2.pdf)



U.S. Forest Service showed a significant reduction – between 18 and 27% - in narcotics possession and manufacturing as well as burglaries near green infrastructure installation sites in Philadelphia.<sup>2</sup>

The first 5 years of *Green City, Clean Waters* were critical; each 5-year benchmark hereafter is also critical, and requires increased engagement from the private sector, increased public and private collaboration and innovation, strong collaboration and coordination across city agencies, and strong commitment to the nature-based vision of the plan from the Administration and from PWD. PWD's grant programs, SMIP and GARP, are substantive tools supporting the success of the plan, particularly around one aspect of private sector engagement, which in turn helps PWD keep their overall capital costs down. The grant programs provide property owners with funds (an approximate average of \$150,000 per greened acre) to make stormwater improvements to their properties, thereby reducing the stormwater management fee to that property owner. The equivalent cost for PWD to construct a green acre on publicly owned land is currently an approximate \$250,000. This results in a win/win for the private property owner who receives a stormwater fee reduction in exchange for the management of the system, and to ratepayers and PWD through the achievement of a regulatory milestone at a more competitive rate.

In sum, *Green City, Clean Waters* is off to an excellent start, yet challenges lie ahead. As the program's performance targets for the next benchmarks grow increasingly stringent, several factors will be crucial to ensure the full success of *Green City, Clean Waters*, and thus the maximum environmental, social, and economic benefits for our City, our residents, and our business community. PWD's SMIP and GARP grants are one of many tools that support *Green City, Clean Waters*' successful implementation. Thank you for accepting our testimony. SBN welcomes continued dialogue with the Administration and City Council regarding the key ingredients necessary for *Green City, Clean Waters*' maximum success.

Sincerely,

A handwritten signature in blue ink, appearing to be 'AS', written over a light blue circular scribble.

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<sup>2</sup> Michelle C. Kondo, Sarah C. Low, Jason Henning, and Charles C. Branas. The Impact of Green Stormwater Infrastructure Installation on Surrounding Health and Safety. *American Journal of Public Health*: March 2015, Vol. 105, No. 3, pp. e114-e121.



*About The Sustainable Business Network of Greater Philadelphia (SBN)*

The Sustainable Business Network of Greater Philadelphia (SBN) is a community of local independent businesses that demonstrates the degree to which businesses can build profitable enterprises while serving community needs and protecting the environment. SBN's mission is to build a just, green, and thriving economy in the Greater Philadelphia region. Since 2001, SBN has been the region's leading advocacy and membership organization for businesses committed to improving their environmental and social impact as well as their profitability.

SBN offers a variety of programming to our members and the broader local business community throughout the year:

- We connect members with each other, as well as decision makers, to exchange learnings and best practices, bond over commonalities, and discuss how policies and processes could better support the local impact economy to grow and thrive.
- We promote our members within and outside of our network, as well as the strengths of a local economy and triple bottom line practices.
- SBN advocates on members' behalf throughout the year to ensure that small, locally-owned, and sustainably-minded businesses are fully supported to start, grow, and thrive.

One of SBN's signature initiatives, and an example of our mission in practice, is our Green Stormwater Infrastructure (GSI) Partners. The GSI Partners is a network of nearly 90 local businesses in the green stormwater infrastructure industry, including firms in GSI design, construction, and maintenance, as well as material supply. SBN, via our GSI Partners, is working to advance the local GSI industry and GSI innovation, thereby amplifying the environmental, social, and economic (triple bottom line) impact of Philadelphia's nationally recognized *Green City, Clean Waters* plan.