PRESS RELEASE

For Immediate Release
Dec. 19, 2018
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HAMPTON TO TACKLE FLOODING WITH CREATIVE NEW TOOL

The City of Hampton could be the first in Virginia to take on pioneering projects that reduce flooding and prevent pollution by using environmental impact bonds (EIBs), a creative new funding tool being leveraged through a partnership with the Chesapeake Bay Foundation (CBF) and Quantified Ventures.

The city would join a small but growing number of places using EIBs, including Baltimore, Atlanta, and Washington, D.C. These bonds from private investors are an option when traditional financing is challenging, especially for innovative efforts. In turn, investors support real on-the-ground benefits. Using a "pay for success" model, these investors share the financial risk with the city if projects don't perform as well as expected, but earn increased returns if they succeed beyond expectations.

Hampton is especially interested in exploring the use of green infrastructure to help reduce flooding problems. This includes using natural solutions such as living shorelines and rain gardens to reduce runoff from storms, beautify and enhance the value of communities, and support wildlife.

"By considering this unique financing option, Hampton is once again proving to be a regional leader in adapting to the growing problems related to climate change," said CBF Hampton Roads Director Christy Everett. "With EIBs, the city can pilot nature-based solutions that both reduce flooding and keep runoff from polluting waterways."

In Hampton, severe weather, tidal influences, and sea-level rise are leading to increased flooding. The City Council has endorsed Resilient Hampton, an initiative to strengthen the city's assets to deal with stresses and disasters. Under the next phase of this initiative, the city will identify specific projects for Newmarket Creek, which runs through Hampton's core in a complex web of manmade turns, ditches and outfall drains. These potential projects will then be vetted as part of the city's regular capital-planning and budgeting process.

Many of Hampton's capital projects are already focused on expanding capacity to mitigate stormwater runoff in order to meet pollution reduction mandates and reduce residential flooding. However, the projects targeted for use of EIBs could be the first officially designated under the resilience umbrella.

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“The Chesapeake Bay Foundation and Quantified Ventures offer insights into cutting-edge solutions being implemented in other localities that may benefit Hampton,” said Brian DeProfio, Assistant City Manager in Hampton.

“As municipalities face an unprecedented need for funding environmental programs, we need efficient and replicable financing structures like Environmental Impact Bonds to directly connect impact capital to improved environmental outcomes. We all need to do our part to address climate change. This initiative allows Hampton to work with impact investors on new ways to do just that,” said Eric Letsinger, CEO of Quantified Ventures.

CBF and Quantified Ventures work with Hampton on the Environmental Impact Bond is funded by a generous one-to-one challenge grant to CBF from an anonymous donor that is being matched in part by The Kresge Foundation.

The city believes that projects should meet as many goals as possible – such as reducing flooding and pollution while creating economic and quality of life benefits. Working with consultants Waggonner and Ball, Hampton is implementing natural solutions to flooding by working and living with water.
In early 2019, experts and stakeholders will continue to define specific next steps in Hampton’s approach to resiliency. For the latest information and updates, visit Resilient Hampton or www.cbf.org/EIB.

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