

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Discussion on the Proposed Surface Water Low Impact Development (LID) Rebate Program

DEPARTMENT: Public Works

PRESENTED BY: Jesus Sanchez, Operations Manager
Brian Landau, Surface Water and Environmental Services Manager

ACTION: ☐ Ordinance ☐ Resolution ☐ Motion
 ☒ Discussion ☐ Public Hearing

PROBLEM/ISSUE STATEMENT:

On December 12, 2011 the City Council adopted the updated Surface Water Master Plan ("SWM Plan"). The SWM Plan (<http://shorelinewa.gov/index.aspx?page=707>), included policy direction (Section 4.3.5) to promote low impact development (LID) benefiting the surface water utility through options such as discounted rain barrels, grant programs, or possibly one-time rebates. Promotion of LID through other incentives may result in a higher level of participation from residents than a rate credit. This option allows for more flexibility and creativity to develop incentives that increase participation and LID implementation.

The Plan included a discussion of creating a pilot grant program for residents to install rain gardens or similar features on their properties or an option to provide a rebate program that provides a property owner with a one-time rebate for each square foot of surface water runoff that is detained on their property. Tonight staff is making a recommendation to Council on a pilot LID rebate program. Staff is proposing a LID rebate program that would provide financial incentives (up to \$2,000 per property owner) to retrofit private and commercial properties with rain gardens and conservation landscaping.

At the December 3, 2012 City Council meeting, Council requested an opportunity to discuss remaining questions about the Environmental Mini-Grant Program which has also been included with this staff report..

RESOURCE/FINANCIAL IMPACT:

The \$20,000 Surface Water Management (SWM) portion of the Environmental Mini-grant program was underutilized between 2007 and 2012. In meeting with the long-term goals of the adopted SWM Plan, staff recommended in the 2013 budget reallocating the Surface Water Management Plan Environmental Mini-Grant Program funds to start the LID rebate program. Council authorized this with adoption of the 2013 budget. The General Fund still includes \$15,000 for more general environmental mini-

grants. Existing staff resources will have to be used to develop and administer this program.

RECOMMENDATION

No action is required by Council this evening, since this item is for discussion. Staff seeks comments and any suggested changes to the proposed rebate program framework from Council.

Approved By: City Manager ***JU*** City Attorney ***IS***

INTRODUCTION

The City of Shoreline's Surface Water Utility (Utility) strives to improve water quality and reduce flows into the City's stormwater system. The adopted Surface Water Master Plan ("SWM Plan") includes policy direction to create a program that promotes low impact development (LID). To provide residents with the resources to take action, the Utility is recommending a stormwater LID retrofit rebate and outreach program with a budget of \$20,000 to be implemented by Summer/Fall 2013.

Staff researched six rebate programs from jurisdictions throughout the nation to determine the best options for Shoreline. Variables considered include items offered and to whom, how much funding available for rebates and outreach approaches.

Staff is recommending a hybrid option by offering rebates on pervious rain garden installations and conservation landscaping to new and redeveloped private and commercial properties. To supplement the program for educational purposes, splash blocks would be available at no cost.

BACKGROUND

The City of Shoreline has offered various one-time and annual incentives (see Table 1) to promote water quality and conservation, but there hasn't been a program available to install projects on private property.

Since 2007, the City's budget has included a total of \$35,000 (\$15,000 from General Funds (GF) and \$20,000 from the Surface Water Utility (SWM)) for the Environmental Mini-Grant Program. Since the number of applications for SWM funds has been low, the \$20,000 were redirected in the 2013 budget to a new SWM LID Rebate Program which was adopted as part of the 2011 Surface Water Master Plan Level of Service 1.

As requested by the City Council at the December 3, 2012 meeting, , Attachment A provides a listing of the awarded environmental mini-grant project details, including a description of how each project met Council's original intent of the Environmental Mini-Grant Program.

The Surface Water Utility has a history of incentive programs as shown in Table 1.

Table 1. Historical Surface Water Related Incentives

Rain Barrels (2005)	250 sold for \$35 , retail \$55. No inspections conducted for proper installation or actual use.
Environmental Mini-Grant (2007 to 2012 - see Attachment A)	10 applicants and \$36,194 awarded to date. The criteria for the surface water mini-grants included the following: a. Provide flood protection from stormwater impacts by creating a rain garden, etc. b. Protect water quality by planting native plants that minimize pesticide use c. Preserve stream habitat for aquatic species d. Educate and develop a stewardship ethic in the general public and/or businesses e. Create a low impact development project that serves as a model for businesses and the community, such as paving with porous concrete. Of the grants awarded to date, none addressed criteria A or E.
School District Educational Fee Credit (2012)	The School District is eligible for an educational credit toward the SWM fee for their properties (approx. \$180,000).
Commercial Inspection Program (1995 to present)	Currently, commercial and residential properties with approved flow control and/or water quality facilities are eligible for an annual SWM fee rate reduction if facilities are properly maintained. The current program includes inspections of 294 facilities on commercial and multi-family properties.

During the 2011 Surface Water Master Plan discussions with Council, there was consensus to move forward with a LID rebate program, which provides a greater incentive to residents to make low impact stormwater retrofits on their properties than a surface water rate reduction program. The following discussion outlines the proposed LID Stormwater Rebate Program.

DISCUSSION

A LID rebate program was adopted as part of Level of Service 1, in the 2011 Surface Water Master Plan (SWM Plan) - a copy of the plan can be found at <http://shorelinewa.gov/index.aspx?page=707> . The main goals of the Shoreline program would include:

- Provide incentives to retrofit existing private and commercial properties with low-impact development best management practices to reduce flows into the stormwater drainage system and improve water quality
- Program that is simple for property owners to apply and easy for staff to administer.

In an effort to develop a program for the City, staff reviewed six stormwater rebate programs from jurisdictions across the country. The programs reviewed include Palo Alto, CA, Rockville, MD, Seattle, WA, District of Columbia, Fitchburg, WI and King County, WA (Table 2).

Most rebate programs offer incentives that span from a small investment (i.e. rain barrels and trees) to larger investment opportunities (e.g. cisterns, permeable pavement, rain gardens, etc.), and offer at least two options. As shown in Table 2, no two jurisdictions are alike in the options available and funding ranges from a few thousand to hundreds of thousands of dollars.

Table 2. Rebate Incentives by City

City	Annual Total Rebate Expenditures	Rain Barrels	Cisterns	Permeable Pavement	Green Roofs	Conservation Landscaping	Trees	Rain Gardens
Palo Alto, CA (2008-present)	\$10,700 (average)	X	X	X	X			
Rockville, MD (2009-present)	\$10,000 (average)	X				X	X	
Seattle, WA (2010 to present)	\$457,143 (average)		X					X
District of Columbia (2012 to present)	\$60,000 available (Grant funded; \$3,200 to date)			X				X
Fitchburg, WI (2002-present)	\$3,600 (estimate; based on credits)	X	X					X
King County, WA (2001 – present)	\$0 (estimate) – To date King County has had no participants in their program					X		

A hybrid option is recommended for the City of Shoreline by offering rebates one-time rain garden installations and conservation landscaping to retrofit private and commercial properties (Table 3). Rain gardens and conservation landscaping can be designed and installed without any formal engineering costs to the property owner, which allows for the largest number of applicants. To supplement the program for educational purposes, splash blocks would be available at no cost. Many properties discharge stormwater from roof drains onto driveways which connect the stormwater to the City's drainage system in the right-of-way. Residents who would disconnect this type of system would receive splash blocks to dissipate stormwater from roof downspouts onto a grass or vegetated area.

Table 3. Proposed one-time rebate offers to property owners

Item	Offer
Rain Garden	TBD (\$1-\$2.00/SF of impervious surface treated) with minimum of 400 SF and maximum of 1000 SF
Conservation Landscaping	TBD (\$1-\$2.00)/SF of converted grass/hardscape to native vegetation) Minimum 400 SF and Maximum 1000 SF
Splash Blocks	No cost

Eligibility

Staff recommends that the rebate only be available for private and commercial properties that want to retrofit stormwater management on their property. Commercial and residential properties that are required to implement LID as part of a development or redevelopment permit would not be eligible for the grant rebate.

The proposed program would grant rebates to a minimum of ten properties per year on a first come, first served basis. Each property owner would only be eligible for a maximum rebate of \$2,000 total.

Covenants

To protect the City investment on private property, a covenant would be required on the rain garden or conservation landscaping; the covenant restricts the use of that specific area of the property regardless of the owner. Covenants are currently required for any stormwater best management practices installed as part of a permitted development or redevelopment. Covenants can be prepared with expiration dates such that the specific area of property is not perpetually under restriction. Staff recommends a five to ten - year covenant for the rain gardens and conservation landscaping to protect the Utility's investment on private property for a period of time. The covenants could also include a clause that would require payback of the rebate to the City if the rain garden or conservation landscaping is removed by the property owner within the life of the covenant.

Outreach

Each jurisdiction varies in their methods of outreach and providing program information for interested individuals. No one city has a full-proof outreach plan, but all ideas can be considered for Shoreline's benefit in informing the public.

Outreach ideas include:

- Mailing an informational postcard or brochure
- Informing local landscape architects, contractors, local groups and schools
- *Currents* Newsletter articles
- Press releases to the *Shoreline Area News* Blog and the *Shoreline Patch*

- Information at the Planning counter and informing appropriate Planning staff and design review engineers
- Presentations such as at neighborhood meetings
- Tours of City rain gardens
- City website
- Working with Washington State University Extension Puget Sound Rain Gardens Program and Stewardship Partners

How the Program Works

1. Property owners request information on rain gardens and conservation landscaping rebates on City website. City staff has been in contact with Stewardship Partners and their 10,000 Rain gardens campaign. Stewardship Partners and Washington State University Extension program offer rain garden workshops and some technical assistance for homeowners. Staff proposes the development of a partnership with both Stewardship Partners and WSU Extension to assist the City in promoting this LID rebate program.
2. Property owners will be required to use the “Rain Garden Handbook for Western Washington Homeowners” to design the rain garden or conservation landscaping guide that would be developed by City staff.
3. Property owner submits design to be reviewed and approved by City staff.
4. Property owner constructs rain garden or conservation landscaping.
5. City staff makes site visit to confirm and approve installation per design.
6. Covenant signed and issued on the rain garden or conservation landscaping.
7. Property owner submits the rebate forms that are reviewed and approved by City staff.
8. Rebate is issued to property owner.

Staff Resources

To develop and administer the program, SWM staff resources will be required. The program development will be the most resource intensive. Once the program is implemented, staff resource time will be distributed throughout the year as applications are submitted and reviewed. The following list demonstrates the necessary effort in the program development:

- Finalizing items offered for rebate program
- Putting together application, agreement, guidelines, checklist packet
- Create webpage for program
- Determine how inspections will be conducted and by whom
- Working with Finance on rebate submittal process
- Outreach program and partnerships

RESOURCE/FINANCIAL IMPACT

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term goals of the adopted SWM Plan, staff recommended in the 2013 budget reallocating the Surface Water Management Plan Environmental Mini-Grant Program funds to start the LID rebate program. Council authorized this with adoption of the 2013 budget. The General Fund still includes \$15,000 for more general environmental mini-grants.

RECOMMENDATION

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ATTACHMENTS

Attachment A: Environmental Mini-grant Program Details

ATTACHMENT A. Environmental Mini-Grant Program History 2010-2012

Environmental Mini-Grant 3-Year History

Grant Goal: To create an environmentally sustainable community

Grant Intent: To provide management and stewardship of our natural resources and environmental assets, in order to preserve, restore and enhance their value for present and future generations.

2010

General Fund (GF) \$15,000

Surface Water (SW) \$4,950

<u>Grant Recipient</u>	<u>Amount</u>	<u>Purpose</u>	<u>Environmental Benefit</u>
Highland Terrace Elementary	\$1,200 SW	4th grade wetlands unit and field trips	Educate students about water quality & practice stewardship
Parkwood Elementary	\$2,250 SW	5 th and 6 th grade wetlands unit and field trips	Educate students about water quality & practice stewardship
Meridian Park Neighborhood Association	\$1,500 SW	Remove invasive plants and restore habitat on east side of Ronald Bog	Restore natural resources
Sustainable ShorelineEd	\$3,200 GF	Community Habitat Project "Where Our Wild Things Are" habitat tour of 4 to 8 backyard habitats	Train stewards to enhance habitat for wildlife
Shoreline Solar Project	\$5,000 GF	Coordinate 7 th Annual SolarFest Fair and Kick-off Event	Promote living sustainably & use of renewable energy
Ballinger Neighborhood Association Project	\$1,420 GF	Further develop BALNA's Community Garden	Teach & practice stewardship through organic gardening
Turning Point	\$1,880 GF	Create neighborhood garden for Parkwood area	Teach & practice stewardship through organic gardening

Echo Lake Elementary	\$3,500 GF	Provide environmental education at Camp Orkila & stewardship practice on Interurban Trail	Educate students about the environment & practice stewardship
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2011

General Fund \$12,338
Surface Water \$5,000

<u>Grant Recipient</u>	<u>Amount</u>	<u>Purpose</u>	<u>Environmental Benefit</u>
Shoreline School District	\$5,000 SW	Classroom and field trip wetland education Meridian Park, Highland Terrace & Parkwood Elementary Schools	Educate students about water quality & practice stewardship
Shoreline Solar Project	\$5,000 GF	Coordinate 8 th annual SolarFest Event	Promote resources to live sustainably
Habitat Stewards	\$838 GF	Provide backyard habitat community tours of 4 – 8 sites	Train residents to create backyard habitat
Echo Lake Elementary	\$1,500 GF	Scholarships for low income and diverse students to attend Camp Orkila; on-going student litter clean up on Interurban Trail & school recycling	Educate students about the environment and recycling & practice stewardship
Center for Human Services	\$5,000 GF	Hire on-site resident at Ballinger Homes to provide support for multi-family recycling, composting, climate protection and organic gardening	Teach & practice stewardship of waste and natural resources through recycling and organic gardening

2012

General Fund \$5,000
Surface Water \$5,000

Shoreline School District	\$5,000 SW	Classroom and field trip wetland education for Meridian Park, Echo Lake, Highland Terrace & Parkwood Elementary Schools	Educate students about water quality & practice stewardship
Shoreline Solar Project	\$5,000 GF	Coordinate 9 th annual SolarFest Event	Promote resources to live sustainably