

**CITY COUNCIL AGENDA ITEM**

CITY OF SHORELINE, WASHINGTON

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| <b>AGENDA TITLE:</b> | Adoption of Ordinance No. 659, Establishing a Surface Water Low Impact Development (LID) Rebate Program  |
| <b>DEPARTMENT:</b>   | Public Works   |
| <b>PRESENTED BY:</b> | Brian Landau, Surface Water and Environmental Services Manager   |
| <b>ACTION:</b>       | <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion<br><input type="checkbox"/> Public Hearing |

**PROBLEM/ISSUE STATEMENT:**

On April 1, 2013 the City Council directed staff to prepare a Low Impact Development (LID) rebate program that includes such parameters as the types or rebates, dollar amount of the rebates, and length of covenants for the LID features. Ordinance No. 659 establishes a LID rebate program of \$2 per square area of treated area rebate, up to a maximum of 800 square feet, for rain gardens or converted area for conservation landscaping and a 10-year covenant on such features as a condition to receive the rebate. After execution of the ordinance, staff will prepare the materials necessary for public outreach and processing applications. Staff anticipates program implementation by September 1, 2013.

The 2011 Surface Water Master Plan Update (SWM Plan) included policy direction (Section 4.3.5) ([2011 Surface Water Master Plan Update](#)) to promote low impact development benefiting the Surface Water Utility through options such as discounted rain barrels, grant programs, or possibly one-time rebates. Promotion of LID through incentives was agreed to result in a higher level of participation from residents than a rate credit. The LID option allows for more flexibility and creativity to develop incentives that increase participation.

**RESOURCE/FINANCIAL IMPACT:**

Council authorized \$20,000 in the adopted 2013 Surface Water Utility budget to fund the LID rebate program. Existing staff resources will be used to develop and administer this program.

**RECOMMENDATION**

Staff recommends that Council adopt Ordinance No. 659, establishing a rain garden and conservation landscaping rebate in Shoreline Municipal Code Chapter 13.10.

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 September 1, 2013.

## **BACKGROUND**

During the 2011 Surface Water Master Plan discussions with Council, there was consensus to move forward with an LID rebate program which provides incentives to residents to make low impact stormwater retrofits on their properties. At that time Council direction was that a rebate program would provide a greater incentive than a surface water rate reduction incentive. The goals and objectives of the LID rebate program are summarized below:

### ***Goals of the LID rebate program:***

- Improve water quality
- Reduce runoff into the City's drainage system and the streams into which the drainage system discharges
- Promote environmental stewardship

The **objectives** of the program include:

- Provide incentives (i.e. rebates) to retrofit existing private and commercial properties with LID best management practices (BMP) to reduce flows into the stormwater drainage system and improve water quality.
- Administer a program that is simple for property owners to apply and easy for staff to process given the Surface Water Utility's limited staff resources.
- Promote low impact development stormwater practices to residents through an outreach campaign and partnership with organizations that promote LID practices such as Stewardship Partners and WSU Extension.

Staff presented the major elements of an LID Rebate Program at the February 4, 2013 City Council meeting ([February 4, 2013 Staff Report](#)).

At the April 1, 2013 Council meeting, there was further discussion and agreement on some program elements, including the types of rebates, amounts of rebates and duration of covenants ([April 1, 2013 Staff Report](#)). At that meeting, Council agreed to a rebate of \$2 per square foot of treated area rebate for rain gardens or converted area for conservation landscaping and a 10-year covenant on such features as a condition to receive the rebate.

## **DISCUSSION**

### **Rebate Program Elements**

As discussed in the previous staff reports (2/4/13, 4/1/13), staff considered a variety of rebate offers including rain gardens, cisterns, permeable pavement, green roofs, trees, and conservation landscaping based on existing LID rebate programs around the country. On April 1, 2013 Council agreed with the staff recommendation for the LID rebate program to offer rebates for rain gardens and conservation landscaping since they both meet the *goals and objectives* of the Shoreline program.

### **Length of Covenant**

As agreed by City Council on April 1, 2013, a 10-year covenant would be required on the rain garden or conservation landscaping provided the rebate to protect the Surface Water Utility investment on private property; the covenant restricts the use of that specific area of the property regardless of the owner. In addition, Council agreed that if a property owner decided to terminate the covenant prior to the expiration of the covenant by altering or removing the rain garden or conservation landscaping, the property owner would be required to provide a **full** refund of the rebate amount to the City.

## **RESOURCE/FINANCIAL IMPACT**

Council authorized \$20,000 in the adopted 2013 Surface Water Utility budget to fund the LID rebate program. Existing staff resources will be used to develop and administer this program.

## **RECOMMENDATION**

Staff recommends that Council adopt Ordinance No. 659, establishing a rain garden and conservation landscaping rebate in Shoreline Municipal Code Chapter 13.120.

## **ATTACHMENTS**

Attachment A: Ordinance No. 659 – LID Rebate

## ORDINANCE NO. 659

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, AMENDING SURFACE WATER UTILITY LOW IMPACT DEVELOPMENT REGULATIONS TO PROVIDE AN INCENTIVE FOR RETROFITTING DEVELOPED PROPERTIES WITH RAIN GARDENS OR CONSERVATION LANDSCAPING, SETTING A CURRENT TO REBATE AMOUNT; AND AMENDING SHORELINE MUNICIPAL CODE 13.10.120 AND 3.01.400**

WHEREAS, City Council has surveyed incentives offered by surface water utilities in other jurisdictions to retrofit developed properties with Low Impact Development techniques to reduce peak flows in streams which cause flooding and stream degradation; and

WHEREAS, the City Council has determined that a limited rebate incentive offered to developed properties for construction of rain gardens or conservation landscaping will promote the goals of the Shoreline Surface Water Utility; now therefore

**THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON,  
DO ORDAIN AS FOLLOWS:**

**Section 1. Amendment.** Shoreline Municipal Code Section 13.10.120, *Revenue and expenditures*, is hereby amended as follows:

.120

A. Fees ~~and~~ discounts and rebates associated with surface water management are set forth in the surface water management fee schedule in Chapter 3.01 SMC. All fees collected pursuant to this chapter shall be credited and deposited in the surface water utility enterprise fund pursuant to SMC 3.35.080.

B. Fees deposited in the surface water enterprise fund shall be expended for:

1. ~~Administering~~, operating, maintaining, or improving the surface water system, including all or any part of the cost of planning, designing, acquiring, constructing, repairing, replacing, improving, regulating, educating the public, or operating drainage and stormwater facilities owned by the city;

2. ~~or to~~ Paying or securing the payment of all or any portion of any debt issued for such purpose and the related reserve and coverage requirements;

3. Providing a rebate for developed properties for the construction of approved rain gardens or conservation landscaping of at least 400 square feet secured by a property covenant for repayment of the rebate if the improvement is discontinued within ten years of payment.

C. Fees shall not be transferred to any other funds of the city except to pay for expenses attributable to the surface water system

**Section 2. Amendment.** Shoreline Municipal Code Section 3.01.400, *Surface water management rate table*, is hereby retitled as *Surface water utility rates* and amended as follows:

.400 Surface water ~~management-utility~~ rates ~~table~~

. . . [Subsections A-C unchanged]

D. Rebate. Developed properties shall be eligible for the rebate under SMC 13.10.120 for constructing approved rain gardens or conservation landscaping at a rate of \$2 per square foot not to exceed \$1600 for any parcel.

**Section 2. Effective date.** A summary of this ordinance consisting of its title shall be published in the official newspaper of the City and the ordinance shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED BY THE CITY COUNCIL ON May 20, 2013.**

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Keith A. McGlashan, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

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Scott Passey  
City Clerk

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Ian Sievers  
City Attorney

Date of Publication: , 2013  
Effective Date: , 2013