

## Howard County Commercial Stormwater Solutions (CSS) Work Group

Tuesday, May 31, 2016

9:00AM – 11:00 am

### Attendees:

Mark Charles, Abby Glassberg, Carl Gutschick, Dan Nees, Cole Schnorf, Mark Southerland (work group chair)

Staff: Lindsay DeMarzo (OCS-staff for the work group)

### Introduction

Mark Southerland opened the meeting at 9:20 by reviewing the executive order creating the CSS and summarizing the goals of the work group. The agenda for this meeting was to (1) answer questions raised by the first meeting, (2) discuss the 10 homework questions, and (3) identify topics to be presented from outside parties at the next meeting.

### Questions Raised by First Meeting

- The group discussed commercial property stormwater management basics and went over a few examples of properties with existing, outdated stormwater facilities (prior to 2003) and how the credit and reimbursement program would apply. Everyone agreed that targeting properties with the largest amount of untreated impervious surfaces is the best approach. Howard County DPW has watershed plans that target such areas on both public and private land.
- Clarity was provided that treatment of existing impervious surfaces for credit under the MS4 permit does not have to employ the environmental site design (ESD) technology required of new development. Credit is given for any stormwater treatment facility that meets the 2000 state regulations. The most cost-effective treatment per impervious acre is upgrading existing stormwater ponds that have retention but not treatment and these facilities are allowed under the 2000 regulations.
- The group pointed out there are 2 main types of commercial property owners, as well as a variety of property types including industrial:
  - Developer-owned property with tenants
  - Owner-occupants

Developer-owned properties may be less inclined to seek stormwater fee reductions because fees are passed on to tenants. Industrial properties with lower rents may be more inclined to seek stormwater fee reductions because their fees are a higher percentage of their property tax. High priority targets should be commercial and industrial properties with significant areas of land not in use.

## Discussion of 10 Homework Questions

1. Financial incentives are most important to commercial property owners, but technical support and being a good steward are also benefits to owners. Some businesses would be willing to contribute financially to stormwater management, especially owner-occupied firms with longer term goals.
2. The group discussed the following technical aspects of a CSS program:
  - Permitting hurdles are a major concern of property owners so an expedited or improved process for obtaining permits might be a significant incentive for them. Of specific interest is the ability to upgrade stormwater ponds that have naturally converted to wetlands (which are protected from development). The County may also have to address internal conflicts such as tree removal for stormwater management facilities when trees also provide stormwater credit.
  - The County should consider changing the language in the stormwater credit and reimbursement schedule legislation to clarify that any upgrades (e.g., pond retrofits) included in Chapter 3 of the 2000 Maryland Stormwater Manual are acceptable, not just the ESD practices currently listed.
  - Lists of approved practices and guidance manuals are already available and generally not desired by owners seeking turnkey solutions, but a list of County-screened contractors would be good. Owners prefer to bid out any work they are paying for, so they are not overpaying. A suggested model had the County providing (1) the design and (2) a construction/maintenance contractor list for the owner to choose and hire from.
  - The group was also favorably inclined to the market-based approach that uses private aggregator firms. The aggregator does the permitting, installation, and maintenance (and sometimes site selection and design), and sells the credit back to County. Aggregators are good at finding the best sites and keeping costs down. This is most efficient when a private market is in place, but the County can also bid turnkey contracts out competitively.
  - Another option is offsite mitigation or trading. City of Rockville currently has an offsite mitigation program, where all stormwater fees, fees in lieu, etc. go into the same fund to be spent for stormwater management. To date trading has not been common in Maryland, but MDE is developing a new policy to create trading of stormwater credits among sectors. Fee-in-lieu programs are generally not popular with the public unless the monies can be shown to be being spent on directly addressing the impacts. Any fee-in-lieu program should be couched in terms of accruing immediate benefits to the same watersheds suffering stormwater impacts. The current nonprofit program in the County might be a vehicle for offsite mitigation of commercial properties that do not have space to install stormwater management.
  - The group was also very interested in creating a different permitting process for stormwater management beyond the current options of (1) full site plan or (2) red line process. It would be desirable that something like upgrading a stormwater pond be permitted by aggregator or owner in 1-2 months rather than the current 8 months. Another option would be to hire a new stormwater

reviewer for the County, so that stormwater credit applicants would be moving through the system on their own track, decreasing permitting time for everyone. Delays in permitting can be a major impediment to aggregators.

3. The discussion on financial incentives included the following:
  - The group felt that a CleanWater business certification would not be a big motivator for property owners or tenants. They cited the decreasing interest in getting LEED certifications as evidence.
  - Currently the County stormwater fee is generally too low for fee reductions to provide significant financial incentives. Rebates on the cost of implementation of stormwater management are a more important incentive.
  - The point was made that the County needs to ensure a balance of revenue and credits, i.e., adequate monies to provide rebates.
  - County needs to ensure the propriety of using public funds on private lands when they provide public benefit.
4. The group did not see any major concerns with the agreements listed, including Declaration of Covenants.
  - It was suggested that agreements with County and/or County-hired contractors should separately address pre- and post-construction.
5. Most owners would prefer turnkey solutions (i.e., with the County doing everything including maintenance), while others (e.g., Bozzuto) prefer to install and maintain stormwater facilities themselves. Others might prefer something in between.
6. No consensus was reached on which maintenance arrangements commercial property owners would prefer.
  - Typically the County does not do maintenance in-house, but hires a contractor.
  - County currently has a good system where commercial owners maintain existing stormwater facilities, but the County supports residential owners and does most of maintenance for HOAs.
  - City of Rockville currently cites owners for not maintaining their stormwater facilities and hires a contractor to do the maintenance.
  - Philadelphia offers a reduction in stormwater fees in exchange for maintenance. This is a better match with costs than construction which requires rebates to cover the costs.
7. The group strongly believes targeted outreach and face-to-face meetings are the most effective forms of outreach to commercial property owners. Face-to-face meetings also guarantee that program information gets to the right person within the commercial firm.

8. The group noted that the impervious acres treated would be the obvious measure of success, but that they also want to recognize that different types of commercial properties exist and the County should create a program that reaches out to and recognizes the contributions of all commercial property owners.
9. The group noted that generally owner-occupied properties would not mind a longer payback period.
  - The group agreed that property owners should be able to obtain rebates themselves and not be required to use an aggregator. This has the potential to bring down costs further.
10. Awareness of the current reduction in the stormwater fee available to stormwater management facilities constructed in 2003 or newer could be increased by including an insert in the tax bill.
  - Conversion to an aggregator system would doubtless increase applications for the fee reduction, though it only applies to ESD currently.

### **Presenters for Next Meeting**

The group suggested inviting the following organizations to present additional information at the next meeting:

- Howard County Department of Public Works (DPW) – Examples of stormwater management facilities that could be constructed on commercial properties and associated costs
- Maryland Department of Environment (MDE) Wetlands and Waterways Program – Current rules and potential improvements to streamline stormwater management permitting
- Howard County Department of Planning and Zoning (DPZ) – Current process and potential improvements to streamline stormwater management permitting
- City of Rockville – Off-site mitigation for stormwater management program

### **Work Group Logistics**

Lindsay gave a quick overview of the basecamp software being used for work group file sharing.

### **Closing**

Mark Southerland thanked the participants and adjourned the meeting at 11:15 am