



Environmental Utility Best Management Practices Credit

Background

On August 25, 2003 the Maplewood City Council approved an Environmental Utility (Ordinance No. 839) to finance the City's Storm Water Management Program. In addition, the Utility will be utilized to finance compliance with the City's National Pollution Discharge Elimination System Phase II (NPDES Phase II) Storm Water Pollution Prevention Plan (SWPPP) for the City's Municipal Separate Storm Sewer Systems (MS4) as outlined in the City's Storm Water Permit.

The Utility provides for credits for the use of Storm Water Best Management Practices (BMPs) such as storm water ponds, green space, undeveloped land, etc. Credits must be applied for by Dec. 15th of year preceding the year in which the credit is to be considered. The amount of the credit will be determined by Maplewood's Public Works Department and approved by the City Council. A property owner may appeal to the City Council regarding a determination of the credit once per calendar year.

Commercial, Industrial, Institutional

A credit may be granted to a Commercial, Industrial or Institutional parcel that can demonstrate a minimum reduction of 20% of the amount of storm water leaving the parcel via the use of an approved Storm Water Best Management Practice (BMP). Credits can be combined to account for a total reduction of up to 75% of the Environmental Utility Fee. Documentation must be provided to the City of Maplewood's Public Works Department for evaluation of the claim. **It is strongly suggested that the documentation be prepared by a licensed professional engineer of the State of Minnesota and provide the necessary drawings and calculations to support the claim. It is the applicant's responsibility to prove the claim.**

Examples of Best Management Practices

1. Storm water retention and infiltration systems (ponds), grassed swales and drainage from parking lots into grassed surfaces.
2. Storm Water Detention ponds are not eligible for a credit since the water from the ponds is discharged to the City's storm sewer system. MS4.

Land Use Credits

Vacant Land Credit

Vacant land meeting the following criteria is to be excluded from the area used to calculate the monthly charge.

1. The property must not be developed in any way, or have been developed in the past ten (10) years. The property must reflect land in an “undisturbed, natural state” with non-impacted soils (i.e., the soils are not compacted).
2. The vacant land must represent at least 50% of the total parcel
3. Vacant land does not include “green space” as outlined below

Green Space Credit

Green space areas meeting the following criteria can receive up to a 75% reduction from the area used to calculate the monthly charge.

1. Green spaces shall be contiguous pervious vegetated areas incorporated into the developed parcel.
2. The space shall not have more than 25% impacted, compacted soils. Examples of impacted spaces are trails, ball fields, gravesites, golf courses and picnic areas.
3. Green space must be 20 feet or more away from the nearest impervious surface or structure.
4. The green space must be a minimum of 1 acre in size and not less than 25% of the total parcel.
5. Grassed parking areas that are utilized more than 15 days per year are excluded from the green space credit, as these are impacted, compacted soils.

Residential Properties and Rain Gardens

A Residential Property can apply for a credit of 30% per month if the property installs and maintains a rain garden or other city approved BMP. The Rain Garden or other appropriate BMP's must meet current city standards and be approved by the City of Maplewood's Engineering Department prior to and after it's construction.

Authority

Administrative implementation of this policy was reviewed by the Maplewood City Council on January 26, 2004.



Environmental Utility Best Management Practices Credit Application

Property Owner: _____

Street Address: _____
Maplewood, MN

Parcel I.D. # _____ (If unknown, leave blank)

Contact Name: _____

Phone Number: _____

Email Address: _____

How should we contact you? Phone or Email? _____

When can we contact you with any questions?

Brief Description of the BMP or Land Use Credit:

For commercial, industrial and institutional properties only:
Estimated reduction in storm water volume: _____ %

***Please attach any documentation supporting this claim to this application.
It is the applicant's responsibility to prove the claim.***

Maplewood Public Works • 1830 County Road B East • Maplewood, Minnesota 55109
651-249-2400 • 651-249-2409 (fax) • www.ci.maplewood.mn.us

Financing Maplewood's Storm Water Management with an Environmental Utility

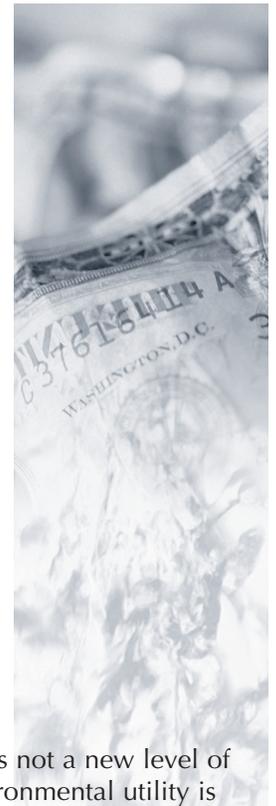
The Financing Dilemma

The cost of constructing, operating, and maintaining Maplewood's storm water facilities continues to increase along with other municipal costs. In fact, the storm drainage system is often the last and most expensive public utility for cities to develop.

Traditional methods of financing storm water improvements have become more complex in recent years. Faced with increasing costs and continuous pressure to minimize property taxes, cities may lack the financial resources to undertake a multi-year storm water management program.

City general funds and special assessments have typically financed most of the necessary improvements in the past. However, special assessments are often successfully challenged in court. Consequently, many communities lack the proper funding to address the increasing costs related to storm water drainage, water quality management, and wetland protection.

Service charges, which have been used by communities to finance sanitary sewer and water systems, are now being applied to storm water management. The utility approach is gaining recognition as the most equitable way to finance storm water management activities while allowing for development. An environmental utility has been the answer to the financial needs of the equation for many communities.



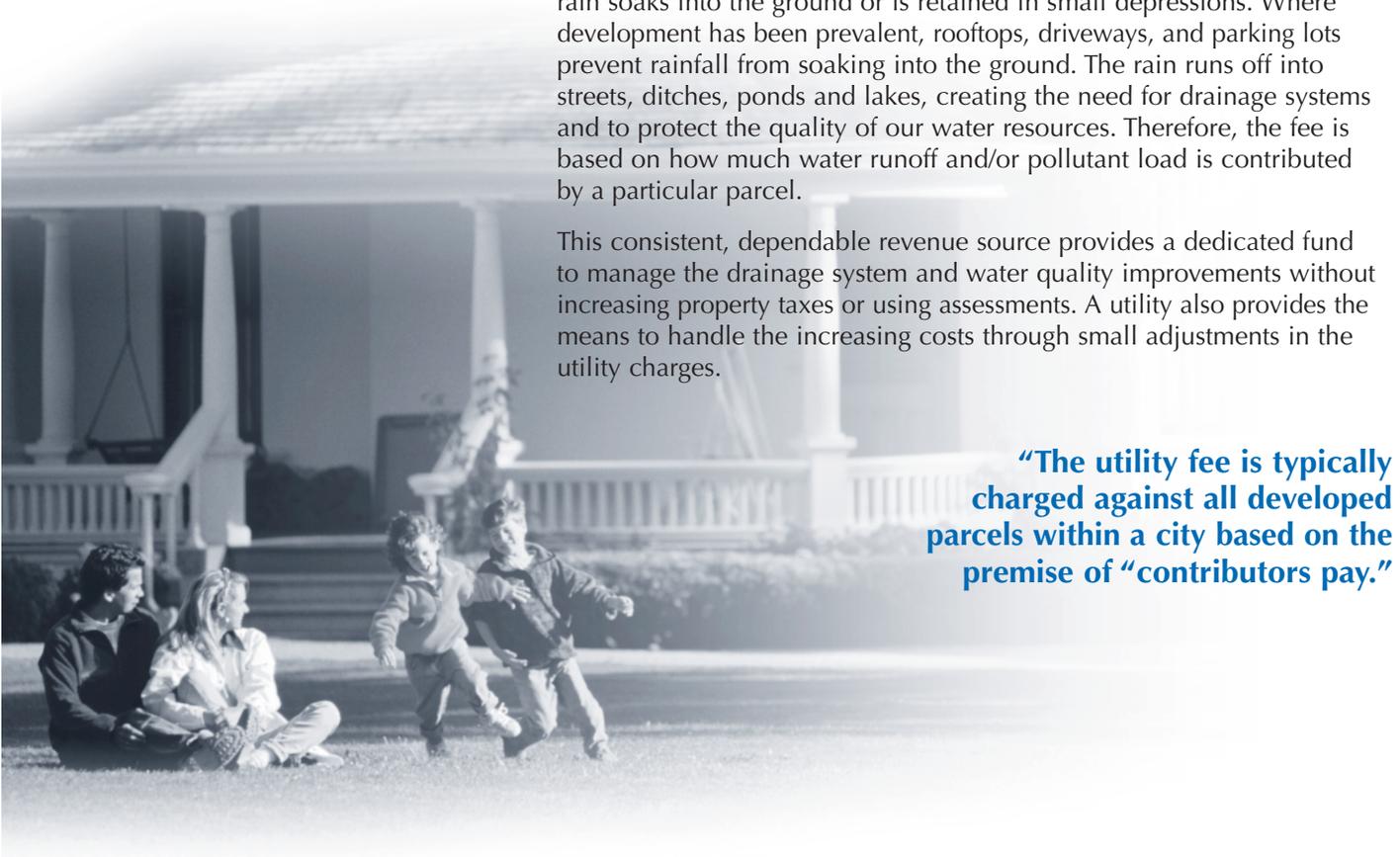
What is an Environmental Utility?

Let's start with what the utility is not. The utility is not a new level of government, nor is the utility a new tax. An environmental utility is simply a method of financing the administration, planning, implementation, and maintenance of storm water best management practices (BMPs). This utility does not replace existing funding sources – it complements them.

The utility is nothing more than a service charge or fee. The utility fee is typically charged against all developed parcels within a city based on the premise of "contributors pay." Where land is in a natural state, most rain soaks into the ground or is retained in small depressions. Where development has been prevalent, rooftops, driveways, and parking lots prevent rainfall from soaking into the ground. The rain runs off into streets, ditches, ponds and lakes, creating the need for drainage systems and to protect the quality of our water resources. Therefore, the fee is based on how much water runoff and/or pollutant load is contributed by a particular parcel.

This consistent, dependable revenue source provides a dedicated fund to manage the drainage system and water quality improvements without increasing property taxes or using assessments. A utility also provides the means to handle the increasing costs through small adjustments in the utility charges.

"The utility fee is typically charged against all developed parcels within a city based on the premise of "contributors pay."

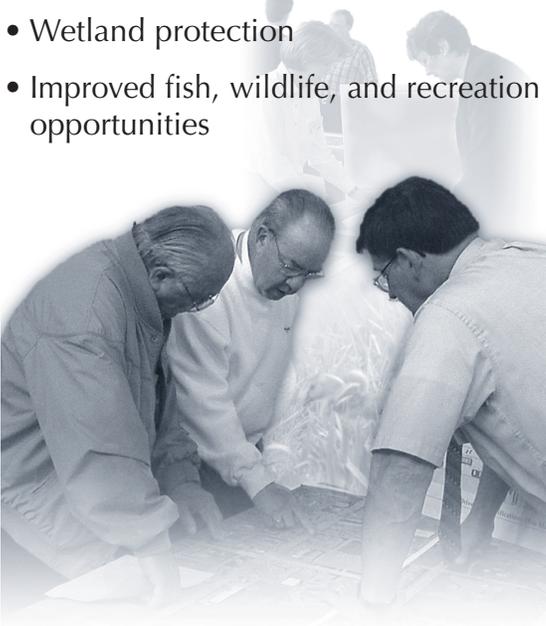




How Will the Utility Benefit the Community?

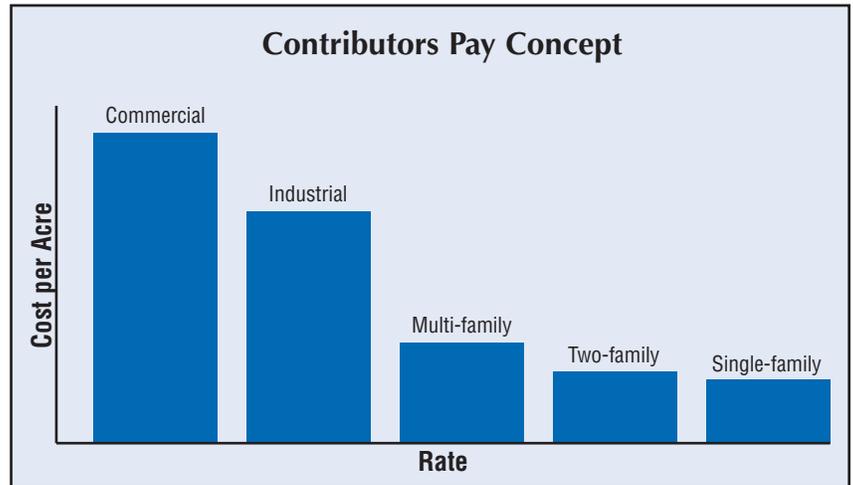
The utility benefits the community by providing a dedicated fund for storm water management activities. Benefits associated with storm water management include:

- Manage water quality and flood issues
- Water quality improvements
- Drainage system construction and maintenance
- Erosion and sediment control
- Community education
- Wetland protection
- Improved fish, wildlife, and recreation opportunities



Rate Structure

The utility approach is based on the concept “contributors pay.” The rate structure is based on land use type, density, parcel size, and the amount of runoff and/or pollution load contributed by a particular parcel.



Storm Water Utility Advantages

Fair

- Charges are based on runoff rather than property value as is the case with general taxes.

Dependable

- Self financing – does not compete with other governmental agencies for general revenues.
- Provides consistent funding and is easily projected.
- Revenues are kept in separate, dedicated funds.
- Can be used for debt services on revenue bonds.

Simple and Flexible

- Similar to water and sewer charges.
- Adaptable to existing billing systems.
- Credits, exemptions, and appeals are designed into the system.

Acceptable

- No increase in property taxes.
- Regular small service charge is more acceptable than a large one-time assessment.
- Utilities are in use around the country.

