

Memorandum

To: Tina Erickson, Utility Finance and Compliance Manager
From: Kaitlyn Wiehe, Habitat for Humanity VISTA, and Lewis Kuhlman, City Environmental Planner
CC: Climate Action Plan Steering Committee
Date: March 11, 2024
Re: **Stormwater Credit Policy Changes to Enable Greater Participation at Lower Levels**

The Climate Action Plan recommends improving the resilience of the community's stormwater infrastructure to in the face of extreme weather events. Increasing green infrastructure may be a necessary supplement to long term stormwater drainpipe maintenance and replacement to increased flow. The Stormwater Utility incentivizes larger scale green infrastructure investment through stormwater credits. Beneficiaries are often businesses and organizations with funds, resources, and space to take on these projects.

The average homeowner likely does not have the budget to pay for engineers and installation of large stormwater management systems. They may also lack the appropriate space to qualify for the credit. To reduce stress on the grey stormwater infrastructure, the Stormwater Utility should consider incentivizing smaller-scale green infrastructure and increasing homeowner engagement. The following proposed policy changes would reduce barriers faced by residents and expand the ability to obtain credits, especially at lower rates. Proposed policies include adding lower levels of stormwater credits at 10%, 20%, and 30%; adding credits for trees; providing educational resources and workshops on the credit application process; and providing engineering support at reduced or no cost for homeowners applying for credits.

Stormwater credits for rain gardens and rain barrels range from 40-80%. Extending credits from 40% to 10% may increase participation and overall stormwater retention. Rain garden credits could include a 30% credit for 69 to 91 cubic feet, 20% for 46 to 68 cubic feet, and 10% for 23 to 45 cubic feet. Rain barrel credit could include a 30% credit for 3 barrels (or 165 gallons), 20% for 2 barrels (or 110 gallons), and 10% for 1 barrel (or 55 gallons).

Trees have great stormwater retention potential but aren't given any credit. While there are a range of variables to consider such as species, crown circumference, and diameter at breast height, a simplified criteria may be necessary to encourage participation. Stormwater credits could go by number of trees over 15 feet tall—10% for each tree up to 8 trees.

In addition to announcing changes to the above policies, a public awareness campaign could address the following issues. Outreach could provide basic information about stormwater credits and how to obtain them, including the purpose of the stormwater fee and cost and the benefits of stormwater management. Next, workshops and webinars on best management practices (BMPs) that can earn credits could be held in the spring and summer.

PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

Lastly, the language in the application could be clarified to provide guidance about when an engineer is required to qualify for credits. Hiring an engineer may be a dealbreaker for some, so staff may want to consider the way the policy could reduce or eliminate engineering costs.

To implement these recommendations, the Stormwater Utility will need to change language and policy around stormwater utility tax credit, though it can still use existing practices to monitor effectiveness. Depending on the necessity of professional engineering services, the Utility may want to maintain a fund for engineering expenses for low-income households to participate.

These policy recommendations have the potential to increase the program's accessibility, promoting inclusivity by enabling residents with smaller properties or limited capacity to participate. This approach encourages the adoption of manageable and affordable stormwater solutions, fostering a sense of communal environmental stewardship. The flexibility offered by these lower credit levels allows for a diverse range of households to engage in the program, tailoring solutions to their unique circumstances.

Moreover, these lower thresholds serve as educational gateways, enlightening residents about the importance of stormwater management and the impact of their contributions, no matter the scale. This facilitates incremental progress, as residents are more likely to adopt sustainable practices when starting with smaller projects. Consequently, the broader accessibility of credits is likely to enhance compliance with stormwater management guidelines, driving a collective movement towards sustainability and a healthier environment for the community.