

Encouraging Low Impact Development

Incentives Can Encourage Adoption of LID Practices in Your Community

Municipalities can encourage developers and homeowners to incorporate low impact development (LID) or green infrastructure practices by offering incentives for both planned and existing developments. On existing developments, incentives can be used to encourage landowners to retrofit their sites with LID practices. Incentives also can be used to entice developers to use green infrastructure practices when they are planning, designing and constructing their projects. The four most common types of local incentive mechanisms are fee discounts or credits, development incentives, best management practice installation subsidies, and awards and recognition programs.

Stormwater Fee Discount or Credit

Municipalities often charge a stormwater fee based on the amount of impervious surface area on a property. If a property owner decreases a site's imperviousness or adds LID practices to reduce the amount of stormwater runoff that leaves the property, the municipality will reduce the stormwater fee or provide a credit that helps the landowner meet a water quality performance or design requirement.

Development Incentives

Municipalities can offer incentives that are only available to a developer who uses LID practices. Some municipalities will use these incentives to encourage development on targeted sites, such as brownfields. For example, municipalities might offer to waive or reduce permit fees, expedite the permit process, allow higher density developments, or provide exemptions from local stormwater permitting requirements for developers that use LID practices.

Rebates and Installation Financing

To offset costs, municipalities might offer grants, matching funds, low-interest loans, tax credits or reimbursements to property owners who install specific LID practices or systems. For example, some communities offer programs that subsidize the cost of rain barrels, plants and other materials that can be used to control stormwater.

Awards and Recognition Programs

Some municipalities hold LID-design contests to encourage local participation and innovation. Many communities highlight successful LID sites by featuring them in newspaper articles, on websites and in utility bill mailings. Some also issue yard signs to recognize property owners who have installed LID. Recognition programs can help to increase property values, promote property sales and rentals, and generally increase demand for the properties.

Need More Information?

Check out the following resources:

- EPA's *Managing Wet Weather with Green Infrastructure, Municipal Handbook: Incentive Mechanisms* (2009). http://water.epa.gov/infrastructure/greeninfrastructure/upload/gi_munichandbook_incentives.pdf
- EPA's free online Webcast: *Green Infrastructure Funding and Incentives* (2009). http://cfpub.epa.gov/npdes/courseinfo.cfm?program_id=0&outreach_id=460&schedule_id=1059



The City of Santa Monica, California, offers rebates to property owners who redirect downspouts away from paved areas, install cisterns and rain barrels, and use native landscaping.



Portland, Oregon's Ecoroof Incentive Program will fund up to \$5 per square foot of green roof installed by a property owner or developer.



Chicago's Green Permit Program reviews permits much faster for projects that include LID practices like this cistern at the Chicago Center for Green Technology.

Putting Ideas into Practice: Philadelphia Encourages LID Implementation by Offering Multiple Incentives

Philadelphia's current sewer collection system has evolved considerably from the city's early days, when it was common practice to combine street runoff with indoor sewage into a single network of drain pipes. However, like many older cities, Philadelphia's combined system of stormwater and sanitary sewers in its older neighborhoods remains unable to adequately treat much of its wastewater during heavy rainstorms. As a result, large volumes of untreated wastewater enter local rivers from time to time. To reduce these combined sewer overflows, and stormwater runoff across the city, the Philadelphia Water Department (PWD) uses the following financial and non-financial incentives to encourage both residential and non-residential property owners to implement LID practices.

Fee Credits

PWD assesses commercial property owners with stormwater fees based on lot size and percent imperviousness. In 2010 PWD began offering a Stormwater Credits program in which commercial property owners may reduce their monthly fees by installing LID practices, such as green roofs or rain gardens, or by reducing impervious areas, such as by converting parking lots to meadows. For information, see www.phila.gov/water/Stormwater_Where.html.

Grants

Philadelphia provides grants through its Stormwater Management Incentives Program, which is designed to encourage developers to reduce stormwater by helping them pay for LID practices on commercial properties that generate large volumes of stormwater runoff. In 2012 the city awarded approximately \$3.2 million in grants for projects such as removing pavement, adding landscaping and installing rainwater harvesting systems (see www.phillywatersheds.org/what_were_doing/SMIP_Grant).

Installation Financing

Through its Rain Check program, PWD compensates homeowners for about 80 percent of the cost of installing LID, or "Green Tools," that reduce the amount of stormwater entering the sewer system. Eligible practices include downspout planters, rain gardens, porous paving, pavement removal and yard trees (see www.phillywatersheds.org/whats_in_it_for_you/residents/raincheck).

Contests and Awards

In 2013, PWD and other partners are holding a design competition, "Infill Philadelphia: Soak It Up!," to challenge interdisciplinary teams to design and develop new LID and green infrastructure models to control stormwater at one of three urban sites. The winner will receive extensive recognition and a \$10,000 prize (see <http://infill.cdesignc.org>).

Workshops and Give-Away Program

PWD conducts rain barrel workshops several times each year and provides one free rain barrel to each participating household. PWD also offers a variety of online educational materials to help residential homeowners learn about and install LID practices (see http://phillywatersheds.org/doc/Homeowners_guide_to_stormwater_management.pdf).



Developers of Philadelphia's Thin Flats condominiums added green roofs that capture rain water and provide private green space, complete with rooftop patios, for each unit.



Philadelphia uses multiple incentive tools to encourage developers to install rain gardens like this one at Wissahickon Charter School.



Cisterns operate as part of a rainwater harvesting system in Philadelphia that collects roof runoff for uses such as landscape irrigation or water reuse.