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# CALUMET STORMWATER COLLABORATIVE

MEETING SUMMARY – November 6, 2015

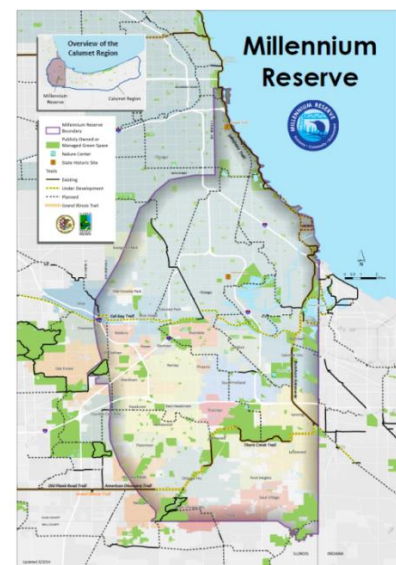
Metropolitan Planning Council

140 S. Dearborn, Suite 1400



## Attendees

Marcy Knysz, Cardno  
Anna Wolf, Center for Neighborhood Technology  
Nora Beck, Chicago Metropolitan Agency for Planning  
Byron Tsang, Chicago Park District  
Thomas Burke, Christopher Burke Engineering  
Monica Giermek, Christopher Burke Engineering  
Ben Shorofsky, Delta Institute  
Eric Otto, Forest Preserves of Cook County  
Anthony Cefali, Friends of the Chicago River  
Lisa Cotner, Illinois Department of Natural Resources  
Sarah Cardona, Metropolitan Planning Council  
Josh Ellis, Metropolitan Planning Council  
Danielle Gallet, Metropolitan Planning Council  
Elizabeth O'Brien, Metropolitan Planning Council  
Valerie Poulos, Metropolitan Planning Council  
Kelsey Pudlock, Metropolitan Planning Council  
Lindsay Darling, Morton Arboretum  
Mark Wagstaff, M3 Engineering Group  
Andrew Szwak, Openlands  
Katrina Phillips, Sierra Club, Illinois Chapter  
Dennis Latto, South Suburban Mayors and Managers Association  
Ed Paesel, South Suburban Mayors and Managers Association  
Holly Campbell, South Suburban Mayors and Managers Association  
Bob Newport, U.S. Environmental Protection Agency  
Eoin O'Neill, University College Dublin  
Joe Sparrey, Village of Midlothian  
Steve May, Village of Westmont  
Larry McIntyre, Village of Westmont  
Mike Ramsey, Village of Westmont



## Member Updates

Lisa Cotner, IDNR, mentioned that IDNR has informed from the 2015 Great Lakes Restoration Initiative applicants whether or not they have received a grant from them. Cotner also believes that IDNR will be

providing more details on the Illinois Great Lakes Restoration Initiative grant for 2016, including application deadlines, by the first week of December.

Nora Beck, CMAP, announced that CMAP just approved a slate of projects under their Local Technical Assistance program. Out of 78 submissions, they selected 22 projects—many of which have a stormwater component.

Lindsay Darling, Morton Arboretum, announced that the Arboretum, TNC and MPC are submitting an Urban Waters Small Grant proposal under the EPA Urban Waters Program to help prioritize trees coverage to improve water quality. The partners are in need of letters of support, and are welcoming letters from anyone who is supportive of their work.

## **Presentation: The Value of Stormwater Utilities for Local Governments in the Chicago Region**

Nora Beck, CMAP, presented on [The Value of Stormwater Utilities for Local Government in the Chicago Region](#), a 2013 report that highlights the benefits of stormwater utilities and fees. The report was developed after the adoption of the GOTO 2040 plan which recommended instituting utilities fees to cover the cost of maintaining stormwater infrastructure. Beck pointed out that stormwater management is the only service that does not typically have an associated fee; it's a service that is often embedded, and therefore, hidden in other costs so people do not realize the value of the service on a day-to-day basis.

The report found that providing services through fees rather than taxation is a more equitable approach to paying for stormwater. It incentivizes property owners to make changes to reduce individual runoff, and it provides a dedicated revenue stream for stormwater programs and projects.

There are over 1,000 municipalities or counties that have taken on a stormwater utility fee, and in Illinois there are 19 local governments. Within the Chicago region, there are three programs that are based on imperviousness, two other are based on a relatively low flat fee, and the rest are fees based on drinking water usage.

According to CMAP report, stormwater utility best practices include:

1. *Fees proportional to runoff.*  
The benefit of this fee structure is that it can be applied across multiple units and lot sizes (i.e. equivalent residential unit or tiers of impervious surface); however, it may not incentivize practices at an individual level.
2. *Revenue used to provide stormwater services.*  
This fee structure is assessed and set to cover costs of services needed. The revenue that is collected is only used for stormwater projects. It can also be set up through an enterprise fund.
3. *Credits or Rebates for Reducing Runoff.*  
This fee structure allow you to provide residents with credits or discounts based on stormwater interventions carried out on site; however it is key to determine if the discounts are a big enough incentive to promote physical or behavior changes at the individual property level.

Beck mentioned that it was CMAP's understanding that it is legal for communities to establish these fees. However it wasn't clear across all communities, so CMAP asked the General Assembly

to clarify that this is the case. Once this was clarified, CMAP provided four main steps to help communities get fees to be adopted. The steps include:

- 1) Assessing community stormwater needs
- 2) Conducting a stormwater utility feasibility study
- 3) Conducting public outreach and education
- 4) Developing a local ordinance and credit manual.

Beck concluded her presentation by highlighting some of the major concerns that the report addressed. She emphasized that people don't realize they are paying for the costs, and therefore, outreach to show public benefit is crucial. Individual property owners can also save relative to a property tax-based system by making landscape and behavioral changes. Fees can also help with increased participation in FEMA's Community Rating System. Additionally, fees are not very high and rate assistance is available.

A collaborative member asked whether or not the enterprise fund had a cap? Beck clarified that the enterprise funds that are identified in the report did not have a cap. Another member asked who surveys and tracks the money? Beck responded that revenue goals cover both outreach and operational costs. A third collaborative member asked, what are the main reasons why fees fail in courts? Beck believes it is because components of the system at hand are not using best practices. For example, Cleveland's fee likely failed because their regional authority set the tax.

## **Presentation: Community Engagement in the Adoption of a Stormwater Fee**

Larry McIntyre and Mike Ramsey, Village of Westmont, highlighted that the Village performed a significant amount of outreach because their stormwater fee was in the form of a tax that went through local referendum.

The Village of Westmont is situated between Downers Grove and Clarendon Hills. The highest elevation between Chicago and St. Louis is on a rail line that runs through the Village. Nevertheless, there are low lying pockets within the community's landscape that make flood and stormwater management a high priority. In the past decade, the Village began to see an increase in flooding concerns in 2004. These concerns continued to grow as the Village was affected by major storms in 2008, 2011 and 2013. The storm of 2008 coincided with budget concerns, so they brought in Christopher B. Burke Engineering, Ltd. to help them identify problem areas and prioritize projects. However, after the study developed by Christopher Burke was completed, the Village lost its Home Rule status. This left the Village without a funding stream to handle stormwater issues. Right after the major storm on April 2013, the new Mayor called a town meeting where he was able to collect a lot of good input from residents impacted by the flooding. Now, the Village holds stormwater meetings on a regular basis.

Larry McIntyre stated that there were approximately ten different areas where households and neighborhoods were devastated. He also pointed out that the meetings held after the April 2013 storm were not about finding solutions: they acted as "venting sessions" where residents were free to tell his/her story. It was through these stories that the Village was able to collect valuable feedback and data. After this information gathering stage, the Village's plan was to educate and engage the Mayor and public that there needed to be a revenue stream (that the Village at the time did not have) if they wanted to see stormwater solutions in their community. They decided that if the mechanism for attaining revenue went to referendum, it would put it in the hands of the residents to decide what they wanted.

McIntyre also pointed out that timing was important. A Stormwater Committee was established in June 2013 right after the big storm the month prior. The committee was comprised of representatives from 14 different community areas. Stormwater meetings were held once a month, and over time, the tone of the meetings went from blaming to being supportive. After a few meetings the committee was broken down into sub-committees. Six months later the entire group of residents presented in front of the Village board with seven key recommendations. At this stage, the residents were supported of a stormwater utility fee that would be dedicated to ongoing revenue source.

In response, the Village hired another stormwater consultant and created a stakeholder committee to assess recommendations and continue community outreach to help articulate the stormwater utility fee. At one point, the consultants calculated that businesses would be required to pay \$20,000. This was considered challenging for nearly all businesses and residents felt that it would hurt their local economy. Despite these discrepancies, they determined that residents would be able to afford a fee of \$10 per month.

In the end, the consultant advised the Village to go toward reference between a utility fee and a sales tax. After more community outreach and education, nearly 80% of residents were in agreement with a sales tax. The stormwater sales tax at 0.5% was put on the ballot for spring 2015. It was passed with 100 votes (over 50%) despite other referendums that could possible steer voters away from voting for the sales tax.

The Village of Westmont began collecting the stormwater tax on July 5, 2015. Immediately, the Village board began discussing how to use the funds and what projects should be prioritized. The Village hired a consultant to help with this process. They Village was keen on giving residents some gratification that was visual – whether it be through green infrastructure investments, or purchasing land and/or buying homes to build detention ponds.

There are still some hurdles to get over, but the Village has a plan in place. The Mariano's within the community has one of the largest parking lots with an underground detention system for collecting stormwater. The Village also has the first pervious concrete road in the state. Based on the street's porosity, the Village will not have to plow if it snows two-inches or less. They are also looking into other green infrastructure projects to employ, but the challenge is always the initial cost.

A collaborative member asked if pervious concrete has the same maintenance costs that are associated with pervious asphalt. Village of Westmont staff said that the concrete has to be constantly cleaned using a street sweeper that functions more like a vacuum. They are looking into retrofitting an existing street sweeper to perform these maintenance operations. They also coded the street with a sealant that helps prevent the road from deteriorating faster; it keeps away salt and other materials that would otherwise damage the road over time.

Another collaborative member asked if there were any other financing options that the Village and its residents considered. They mentioned that they looked at a Special Service Area (SSA) and Special Service District (SSD), but these were ultimately rejected. Aside from that, it was just the utility fee and sales tax. Residents felt that the utility fee was too much for businesses, and they weren't sure if they the fee—as an ongoing fee or function as one-time reductions would generate enough money. Consultants determined that credits would not accumulate they funding they needed. As for the sales tax, when the Village was under home rule, they paid a .5% home rule

tax. It was easier to say that the stormwater sales tax would be taking the place of the home rule tax that was previously paid for by all residents. Additionally, the tax is based on how much you shop in town, including people from the outside the community who shop in the Village. Theoretically, each resident determines how much they contribute by their shopping habits. One collaborative asked if there was any pushback from car dealerships. The Village staff clarified that car dealerships are exempt by the State.

## **Discussions: Brainstorming about Stormwater Utility Fees (or other Stormwater revenue options) for Illinois Communities**

After hearing two presentations on some approaches and benefits generating a dedicated revenue source for tackling wet weather infrastructure issues, collaborative attendees had small group discussions on to think about how communities within Illinois can embrace and better roll out these types of practices. Listed below are outcomes of these discussions:

What are other states doing, allowing or encouraging that we might consider for Illinois?

- Wisconsin and Minnesota are two States that have successfully employed stormwater fees, and would be two good case studies for learning more about the implementation process.
- Within Illinois, there are a lot of political challenges that communities need to be aware of and approach appropriately as a stormwater utility fee is assessed.

What are some best practices (do's and/or don'ts) that you may have come across in your work, or heard about in the field?

- The Village of Westmont is looking into bonds so they can get projects implemented upfront and visually show the Village is using the stormwater tax to make community improvements.
- Listening, and validating what the community members are suffering from; communication is key—often we want to quickly get to the solution, but we also need to be out and in front of the community to see revenue streams are used in a positive way.
- We have to look for multiple solutions in a stormwater utility fee—every community is different, and the community's composition will be key in determining how the fee should be applied
- Public engagement is also key. Ensure that that community is well informed and even helps craft language if fees have to go through the referendum process.
- Creation of a fee requires an ordinance; these ordinances should include language that may raise the fees incrementally

What have we learned (do's and/or don'ts) from Illinois communities who have implemented these practices?

- Do not force fees on people – there needs to be a solid communication platform that resonates with the community so residents feel comfortable talking about the problems and will eventually gain ownership
- During the public outreach stage present the issue, but do not get into solutions. Residents are bound to come to a conclusion on their own.
- We need to determine how to close tax loop holes (e.g. Westmont's tax does not apply to car dealerships which is a large retail market for the Village).
- If incentives for rebates are not meaningful enough, it won't be taken advantage of by the community.

## Next Meeting

Friday, December 4, 2:00pm – 4:00pm

Metropolitan Planning Council

140 S. Dearborn, Suite 1400, Chicago

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