

Stormwater utility guide for local governments -- scope  
September 2012

Product: Guidance document at ~ 25 pages, layout like Parking Strategies for Livable Communities document, fairly high level discussion, to be complete early 2013. Target audience is village managers and mayors. May convert to series of Policy Updates.

1. Basic case
  - a. Need for additional revenue – good option for municipalities
    - i. Compliance with state mandates
    - ii. Address infrastructure
    - iii. Address neighborhood and regional flooding
  - b. Shift to user fees / disincentivize environmental harm
2. Case studies
  - a. Communities with stormwater fee -- personal interviews
    - i. Illinois
    - ii. Indiana
    - iii. Examples from elsewhere in country
    - iv. General questions:
      1. Conditions that led to establishing fee
      2. Typical uses of fee
      3. Rate schedule and rate-setting method
  - b. Communities in IL that have considered stormwater fees but rejected them – personal interviews
3. Legal authority
  - a. Home rule
  - b. Case law on tax vs. fee
  - c. Counties vs. municipalities
4. General basis for rate-setting
  - a. Revenue requirements
  - b. Cost allocation -- measured impervious surface, flat rate, etc.
5. Calculate fee for example communities (Bensenville, Lake Zurich, potentially Blue Island)
  - a. Needed total stormwater fee revenue based on average existing expenditures
  - b. Allocate costs to property classes
  - c. Compare incidence of fee to incidence if paid for from general fund
6. Considerations
  - a. Rebating a portion of fee in exchange for reducing impact on drainage system
    - i. Develop 2 ~ 3 scenarios of type and extent of green infrastructure installation in dummy area -- estimate reduction in costs and amount of rebate
  - b. Protections for low-income property owners if necessary
  - c. Appeals process
  - d. Accounting system