



**City of Northampton**

# **Credit and Incentive Policy for Stormwater and Flood Control Utility**

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Prepared By:  
Northampton Department of Public Works

# Table of Contents

- 1. Introduction ..... 1
  - 1.1 Overview ..... 1
  - 1.2 Purpose ..... 1
- 2. Stormwater Credits ..... 2
  - 2.1 General Policies..... 2
  - 2.2 Small Residential Stormwater Improvements Credit ..... 3
  - 2.3 NPDES MS4 Credit..... 5
  - 2.4 Education Credit..... 6
  - 2.5 Protected Land Credit ..... 7
  - 2.6 Commonly Owned Undeveloped Properties Credit ..... 8
  - 2.7 Stormwater Best Management Practice (BMP) Credit ..... 9
  - 2.8 Dedicated Stormwater Management Property ..... 11
  - 2.9 Senior Needs-Based Credit ..... 12
  - 2.10 Low Income Credit ..... 12
- 3. Stormwater Incentives ..... 13
  - 3.1 Rain Barrel Incentive ..... 13
  - 3.2 Technical Outreach Program ..... 13
- Appendix A—Credit Application Form
- Appendix B—Credit Renewal Application Form

# 1. Introduction

## 1.1 Overview

On March 20, 2014, the Northampton City Council approved Sections 280-1 to 280-13 of the Northampton Code of Ordinances establishing the Stormwater and Flood Control Utility (Utility). The Utility administers the stormwater management and flood control programs of the City of Northampton. The Utility is a division of the City of Northampton's Department of Public Works (DPW).

The Utility provides a source of revenue for the City's stormwater management and flood control programs by charging a fee to customers in accordance with the ordinance.

The Northampton DPW established a credit program which offers a reduction in a fee for certain conditions and activities of the property owner. Activities as defined in this Policy that reduce the impact of stormwater runoff on the public stormwater system or provide an ongoing public benefit related to stormwater management are encouraged and are eligible for a credit and associated reduction in the fee charged. The Northampton DPW also offers incentives for customers to undertake specific actions that reduce the impact of stormwater runoff.

This policy details the policies, eligibility requirements, technical criteria and procedures for Stormwater and Flood Control Utility credits and incentives.

## 1.2 Purpose

The primary purposes of the Stormwater Credits and Incentives Programs are as follows:

### **Stormwater Credits**

The Stormwater Credit Program provides customers the opportunity to obtain stormwater credits to reduce their stormwater and flood control utility fee. Stormwater credits can be earned as a result of the construction, operation, and maintenance of stormwater best management practices (BMPs) that reduce a parcel's contribution of stormwater runoff.

### **Stormwater Incentives**

The purpose of the Stormwater Incentives Program is to offer customers incentive-based discounts or tools that promote the use of green stormwater infrastructure on their properties.

## 2. Stormwater Credits

### 2.1 General Policies

- Credit is given to eligible properties only, as described in the credit policies presented in this policy.
- Multiple credits may be given to eligible properties. The total credit approved for a property shall not exceed 50% of the stormwater fee for that property except for 100% credit for properties dedicated to the use of stormwater treatment and mitigation (see Section 2.8).
- The property owner (customer) shall apply for the stormwater credits and provide the necessary documentation with the credit application, as described herein.
- Credit applications are available from the Department of Public Works.
- Design of stormwater management improvements and best management practices approved for a credit under this policy must meet the design guidelines as defined by the current Massachusetts Stormwater Handbook, Chapter 281 of the City of Northampton Code of Ordinances, and other technical references as defined by the Department of Public Works.
- Credit applications will only be reviewed if they are filled out completely and all necessary information and submissions are attached. The review will be completed within four (4) weeks of the date of receipt of the application by the DPW. The results of the review of the credit application will be sent to the property owner by U.S. mail.
- If a credit application is approved at least one month before the customer's next regularly scheduled bill, the credit will be applied to the next bill.
- The credit will remain effective for the length of time defined in this policy for each credit type. All credits require a renewal application.
- The City maintains the right to inspect the property at the time of credit application and at any time that the site is receiving credit to determine credit applicability. Failure to allow inspection may result in revocation of all or part of the credit.
- A credit may be reduced or revoked at any time that it is determined by the City that the qualified stormwater system or qualified stormwater programs are not performing adequately or are not being maintained to function as designed.
- Credits are not transferrable when a property is sold. New property owners will need to apply for credits.

## 2.2 Small Residential Stormwater Improvements Credit

Description: All small residential (1-3 family) properties are eligible for this credit.

Reason for Credit: The goal of this credit is to reduce the downstream impacts of stormwater running off a property through the construction and maintenance of approved stormwater improvements.

Credit Value:

- Rain Garden – The size and design of an approved rain garden is a function of the size of the impervious area and size of a property. A credit of up to 25% reduction of a fee for the construction of a rain garden that has a minimum size of 100 square feet and meets the design requirements as defined by the Massachusetts Stormwater Handbook and other technical references as defined by the Northampton DPW. Rain garden overflows must be directed to appropriate outlets or areas.
- Porous Pavement/Pavers – A credit of up to 25% reduction of a fee for the replacement of greater than 400 square feet of existing pavement on a property with porous pavement or pavers with a stone reservoir underneath. Proposed design must meet the design requirements as defined by the Massachusetts Stormwater Handbook and other technical references as defined by the Northampton DPW. Gravel driveways are not considered a type of porous pavement without appropriate subsurface design.
- Dry Well – A credit of up to 25% reduction of a fee for the installation of a dry well system in good working order. The dry well must have a minimum volume to infiltrate 1 inch or greater of stormwater runoff from an area of pavement, roof or other impervious surface greater than 500 square feet or one quarter of the area of impervious on the property (whichever is greater). A statement must be provided by the owner certifying that the dry well is in good working order and drains completely within 72 hours of a 1 inch or greater rain storm.

Application Process: The application for this credit requires that the property owner provide the following information:

- A completed Credit Application Form (see Appendix A)
- A sketch plan and specifications of the stormwater improvement including the following: materials, size and elevations (depths) of the structure and materials, area of impervious draining to the structure and sizing calculations
- Photos of the stormwater improvement and the property before, during and after construction
- Inspection of the stormwater improvement by the DPW

Duration of Credit: Credits expire three (3) years from their approval date. The property owner shall submit a credit renewal application form (see Appendix B) at least thirty (30) days before the expiration

date to apply for renewal of the stormwater credit. The credit renewal, if approved, is effective on the expiration date of the original credit. The credit renewal application includes the submission of proof that the approved structures are functioning, in good working condition, and have been maintained adequately.

## 2.3 NPDES MS4 Credit

Description: This credit is applicable to property owners who are subject to and in compliance with a municipal separate storm sewer system (MS4) general permit from the U.S. EPA under the National Pollutant Discharge Elimination System (NPDES).

Reason for Credit: The goal of the NPDES Credit is to acknowledge the required efforts of property owners who are also permittees under the EPA NPDES MS4 program. These property owners are required by EPA to develop, implement, and enforce a stormwater management program that is designed to reduce the discharge of pollutants from the MS4 and satisfy applicable water quality requirements of the Federal Clean Water Act.

Credit Value: The credit for a property or properties in compliance with an EPA NPDES MS4 permit is 10% reduction of fees for a period of one year. A NPDES MS4 credit can be combined with other Credit programs for a maximum of 50% credit for a particular property.

Application Process: To receive this credit a property owner must provide the following information:

- A completed Credit Application Form (see Appendix A)
- Copy of the Property Owner's Notice of Intent that was submitted to EPA.
- Submission of most recent Annual Report to EPA

Duration of Credit: The duration of this credit is one year. Each year the property owner must re-apply for the credit.

## 2.4 Education Credit

Description: This credit is applicable to private and public K-12 education institutions and to Smith College.

Reason for Credit: The goal of the education credit is to increase awareness of stormwater issues within the community. The City's EPA stormwater permit (Part 2.4.3) requires public education and outreach to provide the public with an opportunity to understand and participate in the stormwater protection program. Education programs should concentrate on stewardship of water resources and minimization of demand on stormwater systems, and overall improvement to water quality and reduction in stormwater runoff.

Credit Value: The credit for an approved education program is 10% reduction in fees for a period of one year. An education credit can be combined with other Credit programs for a maximum of 50% credit for a particular school property.

Application Process: To receive this credit the applicant must provide the following information:

- A completed Credit Application Form (See Appendix A)
- As applicable, submittal of a proposed curriculum and the target audience (i.e. 6<sup>th</sup> grade)
- Submittal of public service program information or other type of program.

Duration of Credit: The duration of this credit is one year. Each year the property owner shall re-apply for the credit.



## 2.5 Protected Land Credit

Description: This credit is applicable to properties that have documented land restrictions for private and public farmland, forest land, and recreation land.

Reason for Credit: The goal of the Protected Land Credit is to encourage the placement of formal restrictions on properties that minimize or eliminate the potential development of properties and provide natural mitigation of stormwater impacts.

Credit Value:

- A credit of 50% reduction of the pervious portion of the fee for properties that are actively enrolled according to the Northampton Assessor's Office in the following land protections:
  - Forestry (Chapter 61)
  - Agriculture (Chapter 61A)
  - Recreation (Chapter 61B)
  
- A credit of 50% reduction of the pervious portion of the fee for properties with a permanent Agricultural Preservation Restriction (APR) or Conservation Restriction (CR) held by the City and/or State or other permanently protected undeveloped land as documented by recorded land at the Hampshire County Registry of Deeds (this credit will apply if the exemption for these properties is deleted from the adopted Stormwater and Flood Control Utility Ordinance, Section 280-9)

Application Process: This credit will be automatically applied to a property owner's fee based on documentation of active Chapter 61, 61A or 61B status by the Northampton Assessor's Office or documentation of permanent APR or CR by documents recorded at the Hampshire County Registry of Deeds.

Duration of Credit: The duration of the 50% credit for properties in Chapter 61, 61A, and 61B is ongoing if the property qualifies. The duration of the 50% credit for properties with an APR or CR is permanent.

## 2.6 Commonly Owned Undeveloped Properties Credit

Description: This credit is applicable to multiple undeveloped properties that are adjacent and have the same owner. For this credit, adjacent means properties that are contiguous or are directly across a right of way from each other. These properties will be combined into one property for billing purposes.

Reason for Credit: The goal of this credit is to reduce the fee to a property owner of multiple adjacent undeveloped properties and provide incentive to maintain these properties as undeveloped and provide natural stormwater mitigation.

Credit Value: The credit for commonly owned undeveloped properties is variable and will be calculated by combining the total area of pervious land for the multiple adjacent properties for the calculation of the utility fee.

Application Process: The DPW will automatically apply this credit to properties based on Assessor's records and analysis of contiguous properties. A property owner may also apply for this credit by providing the following information:

- A completed Credit Application Form (see Appendix A)
- Documentation of ownership and location of properties

Duration of Credit: Ongoing as long as ownership of properties does not change and properties remain undeveloped.

## 2.7 Stormwater Best Management Practice (BMP) Credit

Description: This credit is applicable to Non-Residential, Large Residential (4+ Family), and Residential Subdivision properties that have constructed and maintained approved stormwater control systems or best management practices (BMPs).

Reason for Credit: The goal of the stormwater BMP credit is to provide incentive for larger properties to construct and maintain BMPs that reduce downstream impacts to the municipal stormwater system.

### Credit Value:

- Stormwater Management Permit BMP Credit (2004 and after)- A credit of up to 50% reduction of the fee for a property/properties or the portion of a property/properties that has installed and maintained in good working order a stormwater management system(s) that is in compliance with an approved Northampton Stormwater Management Permit issued after June 17, 2004.
- BMP Credit for properties with no Stormwater Management Permit - a credit of up to 25% reduction of the fee for a property/properties or the portion of a property/properties that has installed a stormwater management system(s) that was approved by the City of Northampton, met applicable stormwater management standards at the time it was permitted, but was not required to have an approved Stormwater Management Permit. The system must provide a minimum level of stormwater treatment (peak flow, recharge and/or water quality mitigation) for at least 25% of the impervious area of the property or properties applying for the credit.
- BMP credits will only be applied to that portion of a property or properties served by a stormwater BMP. Calculation of a credit will be a function of the fraction of the total area of impervious surface that is mitigated by a stormwater BMP. Redevelopment projects may have stormwater systems that are sized to treat only a portion of the property and therefore will receive a lesser credit. For example, if a stormwater management system has been sized and constructed to receive flow from 50% of the impervious surface on a property, the credit value for a BPM credit of 25% is multiplied by 50% resulting in a total credit of 12.5% reduction of the fee for the property.
- All stormwater management systems that are included in a credit application must meet the design requirements as defined by the current Massachusetts Stormwater Handbook, Chapter 281 of the City of Northampton Code of Ordinances, and other technical references as defined by the Department of Public Works.

Application Process: To receive this credit a property owner must provide the following information:

- A completed Credit Application Form (see Appendix A)

- Approved Stormwater Management Permit or for properties without a Stormwater Permit, documentation of City of Northampton Planning Board, Zoning Board or Conservation Commission permit approval
- Most Recent Annual Report for properties with a recorded Stormwater Management Operation, Maintenance and Inspection Agreement.
- For projects without a Stormwater Management Permit, the following information must be submitted:
  - Documentation that the system is in good working order including the following: photographs of the system, maintenance records and receipts, inspection reports, and the stormwater management plan or maintenance plan for the stormwater system
  - Area of impervious surface on the property that flows to the stormwater system
  - Additional information that documents the design of the stormwater system if it is available
- Subdivision properties or other properties that discharge stormwater to stormwater management systems owned and maintained in common through a property owners association may collectively apply for BMP Credits for all of the properties served by the stormwater management systems. Submit documentation of the property owners association and a list of the properties included in the credit application.

Duration of Credit: Credits expire five (5) years from their approval date. However, for properties with a Stormwater Management Operation, Maintenance and Inspection Agreement or approved Stormwater Management Plan the property owner is required to submit an annual report or the credit will be revoked.

The property owner shall submit a credit renewal application form (see Appendix B) at least thirty (30) days before the expiration date to apply for renewal of the stormwater credit. The credit renewal, if approved, is effective on the expiration date of the original credit. The credit renewal application includes the submission of a report from the property owner and prepared by a Registered Professional Engineer in the Commonwealth of Massachusetts certifying the stormwater BMPs are functioning according to design, in good working condition and have been maintained adequately and in accordance with the approved Stormwater Management Operation, Maintenance and Inspection Agreement.

## 2.8 Dedicated Stormwater Management Property

Description: This credit is applicable to properties wholly dedicated to the use of stormwater management structures and systems.

Reason for Incentive: Properties in the City such as subdivisions have been approved for development with separate parcels dedicated to stormwater management structures such as detention and retention basins that are owned in common by the homeowners association or property owners association. These properties have no other function other than to mitigate the impact of stormwater runoff. The goal of this credit is to reduce the fee to a property owners association and provide incentive to maintain the stormwater systems on these properties to provide stormwater mitigation.

Credit Value: The credit for dedicated stormwater management property is 100% reduction of the fee for a property with a dedicated use for stormwater management.

Application Process: To receive this credit a property owner must provide the following information:

- A completed Credit Application Form (see Appendix A)
- Documentation that the land is dedicated only to the purposes of stormwater management as described in the deed or other document recorded at the Hampshire County Registry of Deeds.
- Documentation that the stormwater management system on the property is in good working order including the following: photographs of the system, maintenance records and receipts, inspection reports, and the stormwater management plan or maintenance plan for the stormwater system

Duration of Credit: Ongoing as long as the property remains dedicated to stormwater management and the stormwater management system has been documented to be in good working order.

## 2.9 Senior Needs-Based Credit

Description: This credit is applicable to seniors over 70 years of age who qualify financially and who have been approved by the Assessor's Office for the CL. 41C Tax Exemption.

Reason for Credit: Rate relief for qualifying seniors over 70 years old.

Credit Value: The credit for qualifying seniors is 50% reduction in fee.

Application Process: This credit will be automatically applied to a property owner's fee based on documentation of approved CL. 41C Tax Exemption by the Northampton Assessor's Office.

Duration of Credit: The credit is ongoing if qualified.

## 2.10 Low Income Credit

Description: This credit is applicable to property owners who have been approved by the Assessor's Office for the CPA Tax Surcharge Exemption.

Reason for Credit: Rate relief for qualifying low income property owners.

Credit Value: The credit for qualifying low income property owners is 50% reduction in fee.

Application Process: This credit will be automatically applied to a property owner's fee based on documentation of approved CPA Tax Surcharge Exemption by the Northampton Assessor's Office.

Duration of Credit: The credit is ongoing if qualified.

## 3. Stormwater Incentives

### 3.1 Rain Barrel Incentive

Description: All residents of the City of Northampton are eligible to purchase rain barrels at a reduced price through the DPW.

Reason for Incentive: This incentive encourages the conservation of water and reduces the impact to the stormwater system.

Incentive Value: \$10 off the purchase of a 55-gallon rain barrel through the DPW.

Application Process: Proof of residency in the City of Northampton must be presented. Rain barrels sales are held periodically during the course of the year.

Duration of Incentive: Incentive can be used to purchase 2 rain barrels per year per customer.

### 3.2 Technical Outreach Program

Description: The DPW may offer periodic workshops to provide technical information for the design and construction of rain gardens, porous pavement/paver systems, and other green retrofits that allow customers to apply for stormwater credits.

Reason for Incentive: This incentive helps property owners consider taking steps to reduce the impact of their property on the stormwater system.