

# COG'S REGIONAL STORMWATER FEE AND TAX UPDATE - DRAFT

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## Water Resources Technical Committee Meeting

October 30, 2023

# 2023 Update to Stormwater Fee and Tax Rates

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- COG has provided a summary of jurisdictional stormwater charges since 2009
  - Updated about every 2 years
  - Previous update was in 2021
- Based on MS4 annual report information, annual budget documentation and individual member responses
- The full document provides detailed information on fees and tax rates
  - Average annual cost per single family
  - Funds produced by the tax
  - A large portion of the revenue funds O&M and CIPs

# DRAFT Stormwater Fee and Tax Rate Document

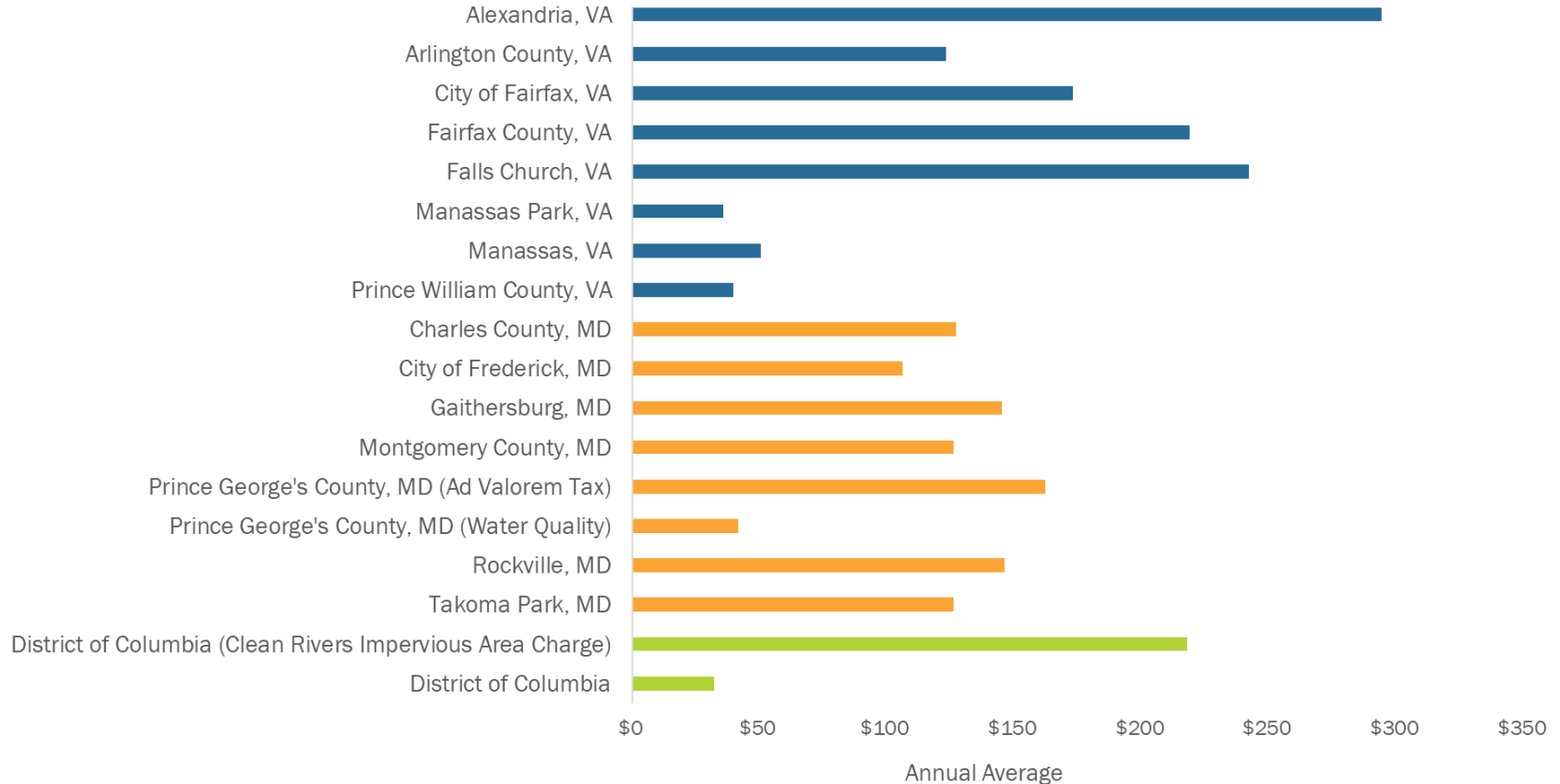


## Metropolitan Washington Region Stormwater Fee/Tax Rates FY 2023 COG Staff Draft (as of October 2023)

Note: Most utility fee systems include features such as providing rebates or credits for property owners who install stormwater controls on their property. Both utility fee and tax-based systems may provide full or partial exemptions for non-profits and religious-based property owners, and/or credits for impervious surface reductions.

Jurisdiction	Tax/ Fee	Annual Amount			Avg. Single Family Pays Annually	Funds Produced by fee/tax
		Single-Family	Multi-Family	Commercial		
District of Columbia ERU = 1,000 sq ft	Fee	\$32.04 per ERU	\$32.04 per ERU	\$32.04 per ERU	\$32.04	\$13M
<b>Maryland</b>						
Charles County Flat rate	Fee	\$127	\$127	\$127	\$127	\$6,613,900
Frederick County General funds revenue	Fee	\$.01	\$.01	\$.01	\$.01	\$565.14
Gaithersburg 1 ERU = 500 sq ft		\$32.28/ billable unit	\$32.28/ billable unit	\$32.28/ billable unit	\$145	\$5.3M

# COG Region Average Annual Cost per Single Family FY2023



**Notes**

1. Frederick County has one cent nominal stormwater fee to meet the requirements of Maryland law
2. District of Columbia stormwater fee is separate from DC Water's Clean Rivers Impervious Area Charge
3. Loudoun County does not have a fee or a dedicated tax. The county relies on general fund revenues for stormwater
4. Prince George's County has two fees; Ad Valorem and the Clean Water Act Fee, COG municipalities within PGC pay a few through the county

# COG's Average Cost Per Single Family



2019



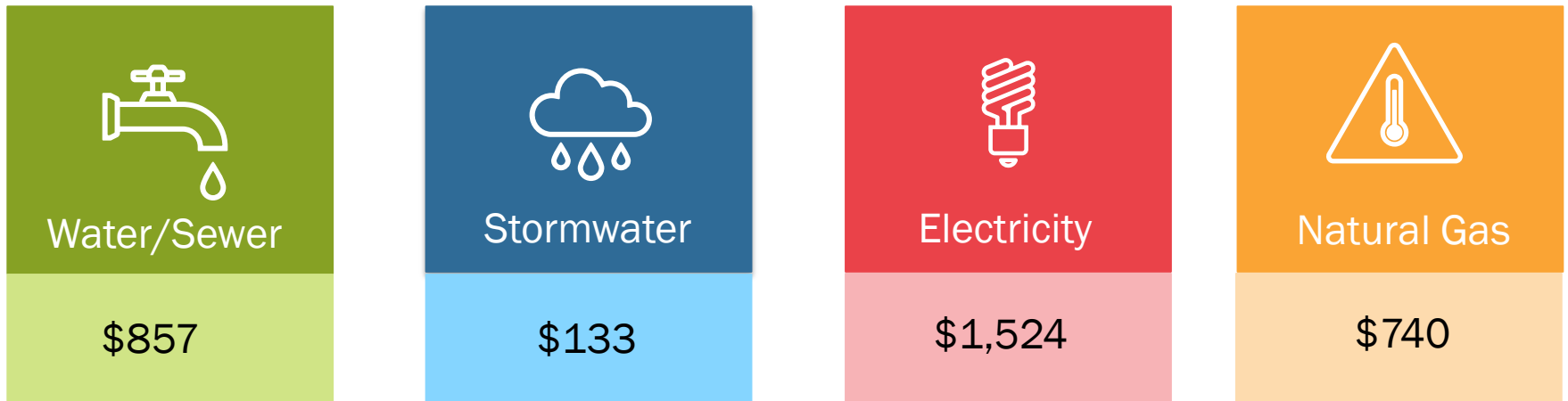
2021



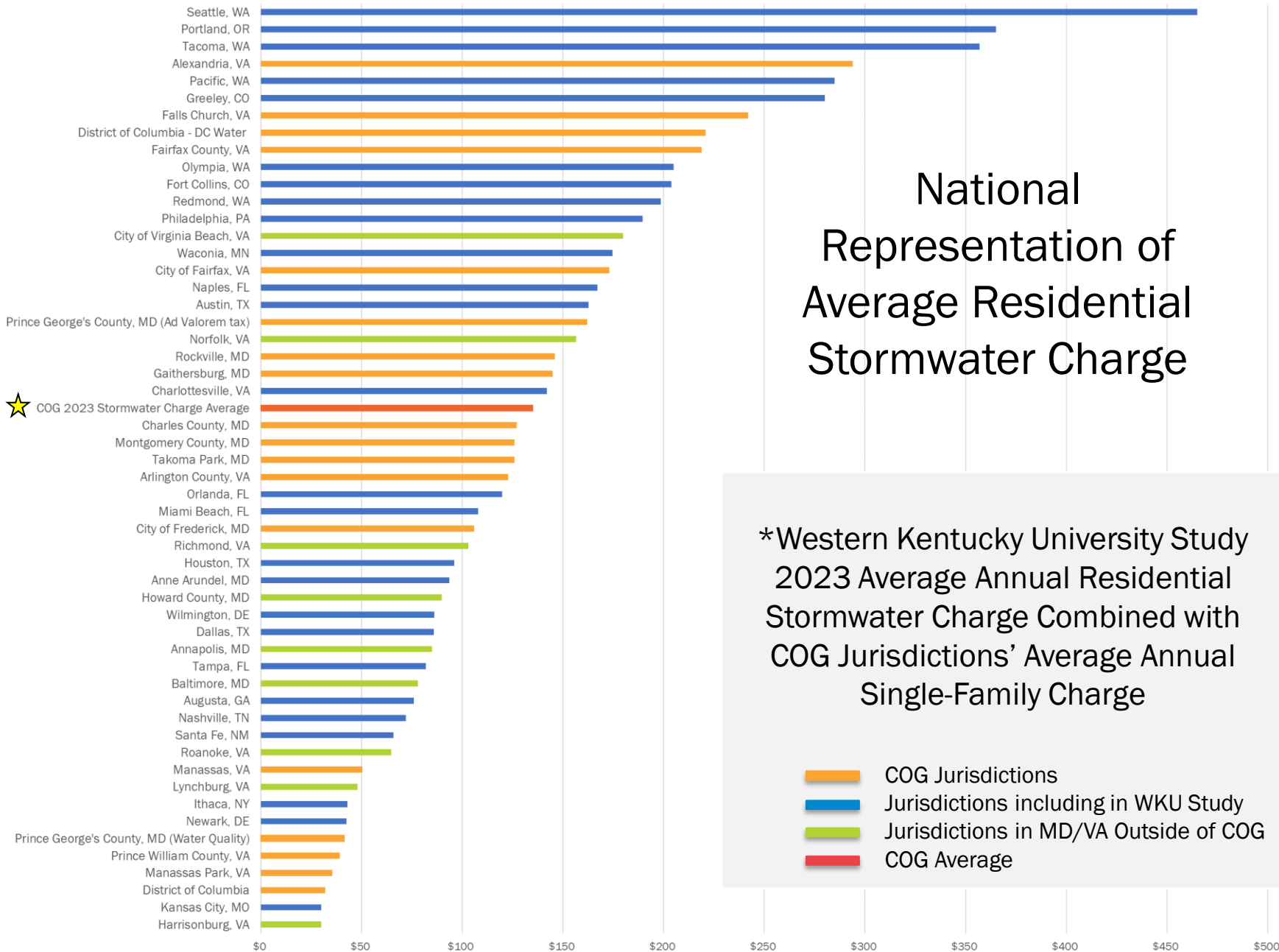
2023

- Rising program costs are driving increases in stormwater fees/taxes
- Stormwater fees/taxes are a sustainable revenue source to fund stormwater management and water resource programs
- \*2019 does not include every COG jurisdiction due to missing data

# Example Cost of Utilities



1. Water/Sewer Annual rates were provided by utility/government staff
2. Pricing and consumption information for electricity/natural gas is from the U.S. Energy Information Administration (EIA) for DC/MD/VA, EIA tracks residential average monthly bill



# Estimate of COG Region Stormwater Fee Annual Revenue

Year	DC	Maryland	Virginia	Total
2023	\$13M*	\$136M	\$144M	\$293M
2021	\$13M*	\$123M	\$119M*	\$255M

## Notes

1. For 2021, Virginia is missing several jurisdictions revenue from the stormwater fee/tax. 2023 number for revenue does not include: Manassas, Manassas Park, and City of Frederick.
2. District of Columbia stormwater revenue listed is separate from DC Water's Clean Rivers Impervious Area Charge revenue





# COG Region Stormwater Program Costs



2019



2021



2023

- Examples that are driving program costs:
  - Stringent regulatory requirements for stormwater permit
  - Increasing cost of maintenance, operation, and improvements to infrastructure
  - Cost of addressing increased precipitation and high intensity flood events

## Notes

1. The regional program costs are rough numbers. Metropolitan Washington does not have a standard definition of “program costs”. Certain activities that are considered stormwater program costs in one jurisdiction may fall within another department in another jurisdiction. 2023 includes additional COG jurisdictions than in previous years.



# Next Steps

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- Continue to update this information on periodic basis
- Continue to provide comparisons of local costs to those in the Bay region and nationwide
  - Comparisons provide context for reasonable rates of increase
  - Important in MEP analysis for MS4 permit negotiations
- Document the increasing costs of:
  - Operation and maintenance & stormwater quantity/flood resilience

# Questions for Members

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- Are additional sustainable funding mechanisms needed if stormwater program costs continue to increase?
- What type of story would you like COG to tell elected officials as it relates to the fees/taxes?
- What type of programmatic data would be helpful for COG to track overtime? Is there a way to standardize program costs? (E.g., breaking down cost by maintenance, capital projects)



# Contact Information

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