



Incentive Program Factsheets

Incentivizing low-impact development
Beyond permit requirements
Guidance for Local Jurisdictions



Washington State
Department of
Commerce



Puget Sound Regional Council

Award and recognition

Award and recognition incentive programs recognize projects, developers, and property managers that implement Low-Impact Development (LID) practices on private and public property. The formality and structure of such programs can range from simple recognition (like signage and/or plaques) to more formal recognition events that honor exemplary work in advancing LID practices.

Benefits

- Increases awareness about the important role that LID plays in managing stormwater by recognizing innovative projects and thought leaders within the field.
- Encourages innovation as successful projects inspire others to go above and beyond current stormwater requirements and helps contractors stand out from their competitors.
- Easy to implement. Programs can be as simple as recognition, including signs or recognition for standalone achievements, and can be scaled up to formal awards or certifications.

Applicable development types and audiences

- Can be applied across residential, commercial, and new/redevelopment sites.
- Audience includes individual businesses, homeowners, property managers, nonprofit agencies, municipal departments, and developers.

CASE STUDY

Puget Sound Region - Salmon Safe Certification

Salmon-Safe's urban development certification program is intended to promote ecologically sustainable land management that protects water quality and aquatic biodiversity. Stormwater management is one of the five core certification standards for urban developments. To be certified by Salmon-Safe, a proposed urban development must demonstrate thoughtful design stewardship and a commitment to long-term progress in addressing the impacts of the proposed development on sensitive aquatic and natural resources. Development project certification is valid for five years, subject to annual verification.

Development and implementation considerations

Award and recognition incentive programs vary in formality and structure. Lower level efforts, such as website recognition, yard signs, or plaques, are versatile and can highlight projects and individuals while simultaneously highlighting LID BMPs and the important role they play in stormwater

management. These incentive programs tend to require less budget and staff time than other incentive program types. For example, Skagit County provides yard signs for rain gardens on private property to inform the general public of the value of rain gardens and encourage others to implement LID practices.

Larger effort award and recognition incentive programs can include special events, award ceremonies, public engagement activities, or ongoing public and industry campaigns to identify above and beyond projects. For example, Seattle’s annual Sustainable Green Home Building Awards recognizes local housing that has implemented LID practices.

Deciding whether to expand an award and recognition incentive program can be challenging because it is hard to measure direct correlations between award and recognition recipients and increases in LID practices. Some cities have found that award and recognition incentive programs are most effective when recognizing projects, developers, or property owners who have implemented LID practices using other incentive programs. This helps address other barriers that may be preventing the installation of LID practices and promotes additional resources.

Administrative considerations when developing an award and recognition incentive program include:

- Setting up the application process
- Creating recognition criteria
- Pilot testing the program with potential recipients
- Researching the opinion leaders, journals, and professional networks of value to the developer
- Promoting the program to encourage participants to apply
- Continuing promotion of award and recognition recipients
- Managing applications and selecting recipients

The criteria for being recognized and review process can range and be scaled according to initiative. It is important to consider current and projected budget and staffing when making administrative decisions that best suit your jurisdiction.

Tips for success

- Consider the LID technique you would like to see more of in your jurisdiction. Award and recognition incentives are great for encouraging specific LID practices in the community.
- Connect awards and recognition to local sustainability goals. This will increase awareness of using LID practices.
- Promoting award and recognition recipients is an important element of advancing LID.

Fee discounts

Fee discounts offer either a discount or credit to reduce stormwater utility fees for property owners that implement specific Low-Impact Development (LID) practices like reducing onsite impervious area, implementing stormwater control measures that reduce or treat stormwater onsite, and/or education or participation in public projects.

Benefits

- Fee discounts can be scaled based on the available budget and resources of the jurisdiction.
- Discounts can be offered as a set dollar amount or as a percent reduction in stormwater fees.
- Fee discounts help property owners reduce their stormwater bills and maintenance costs by reducing and treating stormwater onsite.

Applicable development types and audiences

- Applicable development types include commercial, industrial, and/or institutional properties that have a lot of impervious surfaces. These development types tend to have higher stormwater fees and benefit the most from stormwater fee discounts.
- The audience for this incentive is property owners and those who regularly maintain the property. Developers may not benefit much from fee discounts if they do not maintain ownership because it is generally associated with the long-term benefit of reducing ongoing maintenance costs.

CASE STUDY

City of Fife – Stormwater Utility Fee Discount

The City of Fife offers a 40% discount on stormwater utility fees for using LID on properties served by privately owned and maintained stormwater management systems. To qualify for this discount, the owner must provide a certified statement verifying that maintenance has been performed in accordance with the facility's operation and maintenance manual. They noted that property owners appreciate the ability to reduce stormwater utility fees by maintaining their stormwater infrastructure, offsetting the cost of maintenance.

Development and implementation considerations

Fee discounts are the most common LID incentive program. Utilities offer discounts on stormwater fees to property owners that reduce their onsite impervious area or implement stormwater controls that reduce or treat stormwater onsite, such as a rain garden. They can be offered as a percent reduction, or as a dollar amount and generally vary between 10% per practice installed to 100% of the entire stormwater bill. Discounts generally are given to practices that reduce stormwater volume, but can also be for water quality control, peak flow reduction, and/or education/participation in public projects. Stormwater fee discounts are proportional to the amount of impervious area on a property. This means the discount is smaller for small property owners.

Large commercial, industrial, and/or institutional properties that have a lot of impervious surface are generally the main audience in the fee discount incentive program—an important consideration in determining if this incentive is right for your jurisdiction.

Fee discounts are typically offered for a set time period. After that period, the property owner needs to re-apply to continue receiving the discount, which generally involves an inspection from the utility. Re-applying without an inspection is also a potential option.

Fee discounts are most effective when used with other incentives (such as grants or rebates) because those incentives help cover upfront costs while fee discounts offset annual maintenance costs. For example, Montgomery County, Maryland allows participation in a fee discount and rebates program for the same stormwater control measure, which helps landowners install LID practices through a grant and maintain them through a fee discount.

Tips for success

- Consider program goals and tailor the types of discounts offered accordingly (i.e., incentivize property owners to participate to meet these program goals).

Grant incentive programs are financial incentives that provide funding to property owners, community groups, and/or nonprofit organizations to implement LID practices on private properties. Grant incentives typically fund 100% of the project and are most frequently used for larger projects that relate to setting and meeting environmental goals that go above and beyond state requirements.

Benefits

- When grant-funded projects are large, high-visibility LID installations, the project's recognition can be used to educate the public about the benefits of LID practices and/or serve as a pilot project in the community.
- Grant programs can be designed by jurisdictions and utilities to focus on specific initiatives and/or high priority areas. This creates opportunity to leverage funding with other local initiatives.

Applicable development types and audiences

- Applicable development types include nonprofits and commercial, industrial, and institutional properties. Grants can also be used for multifamily residential properties, but this practice is less frequent because of the typical scale of the project.
- The audience is property owners, residents and developers.

CASE STUDY

City of Lake Forest Park - Environmental Legacy Grants

The Environmental Legacy Grants program aims to foster awareness, stewardship, and improvement of the natural environment by increasing awareness and use of LID techniques. Applications are simple and accepted and reviewed on a first come, first served basis. Grants provide a 50% project reimbursement:

Up to \$500 for single family and \$1,500 for community organizations or multiple property owner non-rain garden projects.

Up to \$1,000 for single family and \$2,000 for community organization rain garden installations.

Development and implementation considerations

Grant incentive programs differ from rebate incentive programs as they generally fund large projects that install several LID practices. The budget for the program depends on the scale of the project and number of participants.

Grant incentive programs can be resource intensive as they require staff to review the grant applications submitted by developers and/or property owners. These applications can be reviewed annually, or at a more

frequent interval, depending on the grant program. Review timelines impact developers that have a strict schedule; however, reviewing applications more frequently can help reduce this burden.

Projects are typically reimbursed after they are complete and have been inspected. Grant programs require staff to assist in inspection, contracting, and maintenance throughout project development. Because of the additional administrative burdens, some utilities/jurisdictions have hired a third party, such as a consultant, to reduce the administrative burden of the program.

The most successful grant incentive programs have found it helpful to provide clear resources and technical assistance, such as site visits and design verification. This reduces confusion about implementing LID practices. The LID BMP factsheets in this guidebook are a useful tool to direct property owners and developers to when choosing which LID solutions to implement.

Community and economic development corporations, [such as SEED Seattle](#), can help administer grant programs, implement grant programs, and oversee the implementation of LID practices through successful partnerships with jurisdictions. These groups can help identify and encourage high priority projects to submit applications to grant programs. They can also contribute financially, help leverage additional funding, or offer letters of support in grant applications.

Grant resources

- [WaterWorks Grant Program](#)
- [GSI Mini grants](#)
- [King County Conservation District Member Jurisdiction Grant Program](#)

Tips for success

- Developers are frequently working on set timelines. Grant programs may not provide the necessary flexibility if they only offer grants once a year. To increase participation in the program, consider offering a rolling application process in which (1) applicants can apply any time of the year; and (2) granting awards several times a year.

Land use and permitting

Land use and permitting incentives encourage developers to use Low-Impact Development (LID) practices by reducing permitting fees and providing flexibility in land use and development codes. In addition to reducing fees (e.g., impact, use, review, and permit fees) and providing waivers, payments can be delayed. Expedited permitting is a related incentive discussed in more detail on the expedited process factsheet.

Benefits

- Land use and permitting incentives generally do not require initial start-up costs because they offer flexibility in the development code or permit fee reductions in exchange for a public benefit and additional LID. This stands out from other incentive programs that generally require additional funding, although reducing impact fees has budget implications.
- Developers tend to benefit the most when (1) flexibility is provided for complicated sites, (2) alternative compliance standards are offered, and/or (3) other regulations are relaxed. In some markets, providing additional development capacity can be of great value to developers.
- Land use and permitting incentives can encourage developers to use additional LID practices by providing a menu of options to meet development code requirements and weighting LID practices higher. Examples include Seattle's Green Factor Program (featured below) and Auburn's Flexible Development Alternatives program (on the expedited process factsheet).

Applicable development types and audiences

- Applicable development types include new and redevelopment sites. Land use and permitting incentives are the most effective in urban areas with a lot of development.
- Developers are the key audience for this incentive.

CASE STUDY

City of Seattle – Green Factor Program

The Seattle Green Factor is a score-based code requirement that increases the amount of and improves the quality of landscaping in new development. The program requires construction to vegetate 30% of a site, but the Seattle Green Factor assigns higher weights for many LID practices, allowing a developer to install more effective LID practices in a smaller area.

Development and implementation considerations

- Jurisdictions with successful land use and permitting incentive programs target the parts of the development process most relevant to the developer.
- Land use and permitting incentives can be tailored to smaller projects, but they are most applicable to large projects.

Tips for success

- Clearly demonstrate cost savings and benefits from these land use and permitting incentives to developers (e.g., value of additional development capacity). In addition, help developers understand how LID in itself adds value and increases their return on investment.

Expedited process

Expedited process incentive programs are effective in reducing costs and risks associated with Low-Impact Development (LID) practices by streamlining and expediting parts of the development process (e.g., design review process, permit process).

Benefits

- Expedited process incentives generally do not have a cost to implement as they do not require a separate budget like other incentive programs.
- Expedited development review processes ensure timely review and approvals, which are critical to the success and profitability of a project. In turn, developers are encouraged to participate in the incentive program.
- Examples of process incentives include automatic approvals and administrative reviews, which help eliminate risk of public hearings and approvals.
- Developers frequently favor expedited process incentives over other incentives because they help make projects more financially beneficial.

Applicable development types and audiences

- Applicable programs apply across residential, commercial, and new/redevelopment sites.
- The applicable audience for this incentive type is developers.

CASE STUDY

City of Auburn - Flexible Development Alternatives

The City of Auburn's point-based incentive program encourages developers to go above and beyond requirements. LID BMPs are each worth five points. Water quality, habitat, and natural vegetation also garner points. Development projects that reach 100 points can have:

- Alternate lot dimensions
- Alternate parking lot landscaping
- Alternate engineering design
- Expedited permitting process
- Increased density
- Other bonuses including increased impervious and increased maximum height

Development and implementation considerations

Expedited process incentive programs can be used together with land use and permitting incentive programs (see land use and permitting factsheet). When these two incentives are combined, they can provide value, remove barriers, and make the process more efficient for developers.

Expedited process incentive programs are generally the most effective in areas with high redevelopment pressure and in jurisdictions with high levels of permit requests. In these instances, speeding up the process is particularly motivating for developers to move forward with their projects. These incentives can be tailored to smaller projects, but they are most applicable to large projects.

Tips for success

- Predict potential procedural difficulties developers may run into while processing their project and look for ways to avoid adding additional steps and to expedite the process.
- Cross-train staff to help with permitting during peak periods to ensure expediting commitments can be met.

Rebate and cost-share programs

Rebate and cost-share programs are financial incentives that offer reimbursement or co-payment to property owners for installing Low-Impact Development (LID) for specific practices. Examples of these practices include cisterns, bioretention planters, bioretention in the right of way, green roofs, and new trees.

Benefits

- Rebate and cost share programs offer educational benefits. They provide an incentive to install an easier LID practice, such as a cistern, which increases overall understanding about LID practices and their benefits and encourages further participation in implementing LID practices.
- Programs are scalable and can be tailored to meet the community's goals, budget, resources, and expertise. They also help encourage specific LID practices that are of high priority in the community.

Applicable development types and audiences

- Applicable development types include residential and commercial. This incentive typically applies to a retrofit program but could also be used for new development/redevelopment. This incentive typically supports smaller installations.
- Property owners and renters are the primary audience.

CASE STUDY

City of Shoreline – Soak it Up Rebate Program

The Surface Water Utility offers rebates up to \$2,000 for Shoreline home or business owners to install a rain garden or native vegetation landscaping on their property. Rebates are based on \$2.50 per square foot of contributing area. Applications require drainage test results, a site plan, plant list, and W-9 tax form.

Development and implementation considerations

The structure of rebate/cost share incentive programs vary. They can cover many LID practices or just focus on one type. They can be offered either as a set dollar amount, a percentage of the project cost, or based on the area or amount of LID installed. They can be offered throughout the year, or until the program funding has been fully allocated.

Rebate incentive programs typically do not cover the full cost of LID practices or maintenance costs. The resident or property owner fronts the cost of the LID practice and is reimbursed after it is installed, creating a financial barrier for many potential participants. Consider reducing upfront costs by having the jurisdiction pay the contractor who is doing the work directly, which also helps control costs for the jurisdiction. Rebate and cost share programs can become costly for the jurisdiction if there is a high number of installations.

The most successful rebate and cost share incentive programs offer maintenance budgets that vary by the type of installation covered, program goals, target participants, or other community factors. Rebate and cost-share programs have also been found to be particularly effective when (1) partnering with local contractors, (2) finding a way to connect applicants to local contractors to finish the project, and (3) promoting training or certification for local landscape contractors. Hiring a third party to administer rebate programs can be helpful, as connecting multiple contractors and property owners can become resource intensive.

Tips for success

- Increase the amount of the rebate to increase participation (if resources and budget allow).
- Consider different approaches for residential and commercial customers (e.g., scaling the program up for larger commercial customers).
- Target areas with defined stormwater needs for LID practices and market the incentive program in those areas.