



Gaithersburg

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City of Gaithersburg Stormwater Program Fee

Policy and Procedure Manual for the Fee, Credits, and Appeals Processes

Adopted June 15, 2015

City of Gaithersburg Stormwater Program Fee Manual

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SECTION ONE - Introduction

The *Stormwater Program Fee Manual* is the City's official resource guide for all program elements related to Gaithersburg's Stormwater Program Fee. This manual establishes the policies and procedures for the City's Stormwater Program Fee, which was adopted by the Gaithersburg Mayor and City Council on October 26, 2014. These policies and procedures include the methods used in the calculation of the Stormwater Program Fee and establish the eligibility and award criteria for the credit, hardship exemption, and appeals application processes.

Funding from the Stormwater Program Fee allows the City to comprehensively manage stormwater by fulfilling maintenance needs, addressing future development, controlling flooding, and preventing erosion. The City of Gaithersburg has established the imperative that its existing stormwater infrastructure be actively maintained, thus ensuring better water quality for the community and the state of Maryland. Funding from the Stormwater Program Fee ensures that sufficient resources exist to meet the community's short-term and long-term needs by providing an equitable method of cost sharing.

Gaithersburg is responsible for providing and maintaining effective stormwater conveyance and treatment infrastructure. The City is subject to numerous regulatory requirements that address water pollution, stormwater runoff management, and Chesapeake Bay restoration. Funding from the Stormwater Program Fee protects the stormwater infrastructure investment made by all property owners within Gaithersburg. Every developed property within the City generates runoff and utilizes the stormwater and storm drain system. As such, every property is assessed a stormwater fee. After reviewing a number of methods to calculate an equitable Stormwater Program Fee, the City selected one that is based on the amount of impervious surface present per property.

Pursuant to enabling act 4-204(d) of the Environment Article of the Annotated Code of Maryland, the City is permitted to charge a fee in order to fund the implementation of a stormwater program. From 2004 until 2014, the City charged only those property owners whose stormwater drains to a residential catchment facility. To more equitably distribute the charges among system users, the City now collects the stormwater fee from all improved properties in Gaithersburg, including commercial, residential, nonprofit, and government parcels. The ordinance through which the fee is established requires that the collected funds be used solely for stormwater program purposes. Projects may include, but are not limited to:

- Storm drain system management and repair;
- Capital improvement project design and construction;
- Water quality and stormwater capacity studies;
- Investigations into illicit storm drain connections and pollutant discharges;
- Enforcement of water quality regulations;
- Water quality grant and rebate program administration; and
- Public awareness and education campaigns.

Revenues from the Stormwater Program Fee are distributed between two separate expenditure categories:

- **Chesapeake Bay Restoration Compliance:** Funds from the Bay restoration compliance fee portion (Bay Restoration Fee) are used to implement projects that will help meet Chesapeake Bay restoration commitments. Activities may include stormwater pond retrofits, stream restoration projects, and the implementation of watershed restoration plans.
- **System Maintenance:** Funds from the system maintenance fee portion are used to keep the storm drain and stormwater management infrastructure functioning in good condition. Funds may be spent on activities such as pipe replacement, catch basin cleaning, and overall facility maintenance.

Impacts to Property Owners

Until 2014, the City charged a fee only to properties draining stormwater to residential catchment facilities; residential rate payers paid a flat fee, while non-residential rate payers were charged according to the amount of impervious draining to the residential facility. The fee beginning in 2015 will charge all property owners and will transition from a flat rate fee to one that is calculated based on the amount of impervious surface present on each individual property. Impervious surface is directly related to the amount of stormwater runoff a property generates, and is also linked to water quality and stream health (see **Figure 1**).

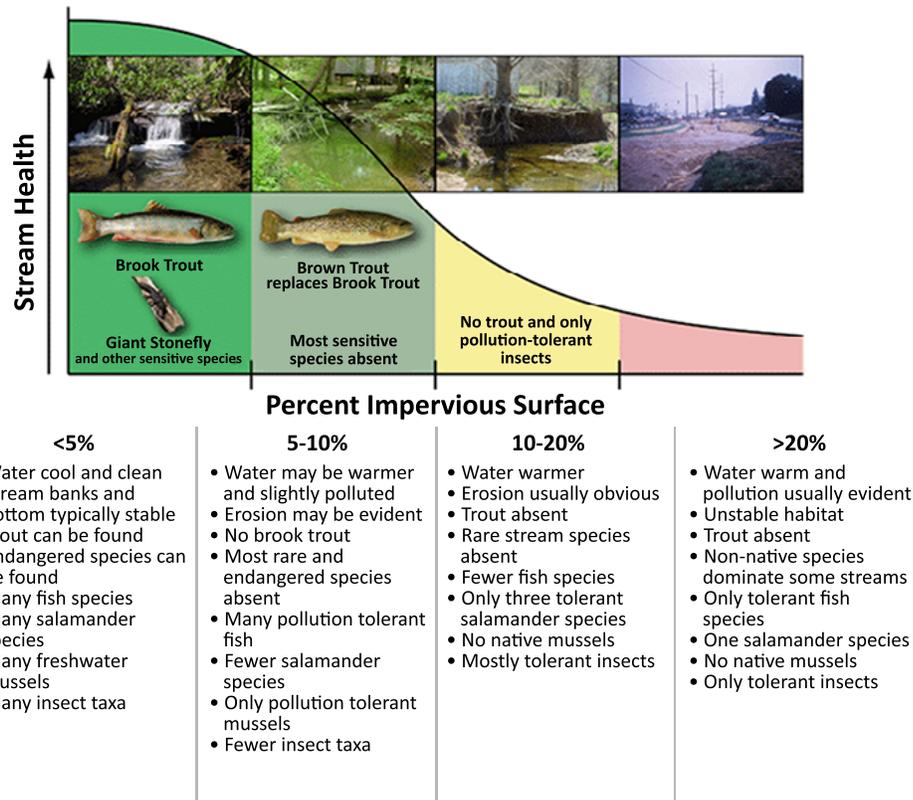


Figure 1: The amount of impervious surface in a watershed directly impacts water quality and stream health. Gaithersburg's watersheds each exceed the 35% impervious threshold. (Image courtesy State of Maryland).

The new calculation process is a more equitable model; with this method, each property owner's fee will not be the same, but will be based on the number of impervious billing units on the property. One billing unit is defined by the City as 500 square feet of impervious surface. For detailed examples of fee calculations, refer to [Section Six - Calculating the Stormwater Program Fee](#).

Receiving and Paying the Stormwater Program Fee

The Stormwater Program Fee is reflected on and collected from yearly Montgomery County property tax bills. It appears as GAITHERSBURG STORMWATER FEE. Property tax bills are mailed to property owners in July of each year. The County transfers these funds to the City once they are collected. The collected funds are dedicated for stormwater uses and can only be spent on stormwater program activities. The City will provide a yearly summary of the expenditures from this fund which will be posted on the City's website.

The remainder of this manual provides information on the Stormwater Program Fee calculation, credit and hardship programs, and the appeals process.



SECTION TWO - Acronyms

The following acronyms and abbreviations are used throughout the Stormwater Program Fee Manual, the stormwater program website, and other program materials. The list provided here serves as a reference for the most commonly used acronyms; for more information related to Stormwater Management, see [Chapter 8 of the City Code](#).

BMP	Best Management Practice
City	City of Gaithersburg
DPW	Department of Public Works
EPA	Environmental Protection Agency
ESD	Environmental Site Design
GIS	Geographic Information Systems
HOA	Homeowner’s Association
MDE	Maryland Department of the Environment
MEP	Maximum Extent Practicable
MS4	Municipal Separate Storm Sewer System
NPDES	National Pollutant Discharge Elimination System
SWPF	Stormwater Program Fee
SWM	Stormwater Management
TMDL	Total Maximum Daily Load
WIP	Watershed Implementation Plan



SECTION THREE - Definitions

The following definitions are used throughout the Stormwater Program Fee Manual, the stormwater program website, and related program materials. The list provided in this section serves as a reference for the most commonly used terms and definitions that relate to the City's stormwater management program. For more detailed information and definitions related to Stormwater Management, see [Chapter 8 of the City Code](#).

Stormwater Terms and Definitions

Best Management Practices (BMPs). Any schedules of activities, prohibitions of practices, maintenance procedures, and other structural or nonstructural management techniques to prevent or reduce the pollution to waters of the state. BMPs may include, but are not limited to, treatment requirements, operating procedures, or practices to control site runoff, spillage, leaks, sludge or waste disposal, or drainage from material storage.

Channel Protection Storage Volume (Cpv). The volume used to design structural management practices to control stream channel erosion. Methods for calculating the channel protection storage volume are specified in the Design Manual.

City. The City of Gaithersburg, Maryland.

City Manager. The City Manager or designee.

Design Manual. The 2000 Maryland Stormwater Design Manual, and all subsequent revisions, that serves as the official guide for stormwater management principles, methods, and practices.

Detention Structure. A permanent structure for the temporary storage of runoff which is designed so as not to create a permanent pool of water.

Develop Land. To change the runoff characteristics of a parcel of land in conjunction with residential, commercial, industrial or institutional construction or alteration.

Drainage Area. The area contributing runoff to a single point measured in a horizontal plane, which is enclosed by a ridge line.

Easement. A grant or reservation by the owner of land for the use of such land by others for a specific purpose or purposes, and which must be included in the conveyance of land affected by such easement.

Environmental Site Design (ESD). Small-scale stormwater management practices, nonstructural techniques and better site planning to mimic natural hydrologic runoff characteristics and minimize the impact of land development on water resources. Methods for designing ESD practices are specified in the Design Manual.

Impervious Area (Impervious Surface). A surface which has been covered with a layer of material so that it is resistant to infiltration by water, including semi-pervious surfaces such as compacted clay, gravel used as travelways, most conventionally surfaced streets, roofs, sidewalks, parking lots, and other similar surfaces.

Improved Property. Real property within the City that has 250 square feet or more of impervious area.

Infiltration. The passage or movement of water into the soil surface.

Maximum Extent Practicable (MEP). Designing stormwater management systems so that all reasonable opportunities for using ESD planning techniques and treatment practices are exhausted and, only where absolutely necessary, a structural BMP is implemented as determined by the City Manager, or his or her designee.

Municipal Separate Storm Sewer System (MS4). A conveyance or system of conveyances (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, manmade channels, or storm drains) owned and operated by a state, city, town, or other public body. These systems are designed for collecting or conveying stormwater, are not a combined sewer, and are not part of a publicly owned treatment works (POTW) as defined in 40 CFR 122.2.

National Pollutant Discharge Elimination System (NPDES) Stormwater Discharge Permits. General, group and individual stormwater discharge permits that regulate facilities defined in federal NPDES regulations pursuant to the Clean Water Act.

Off-site Stormwater Management. The design and construction of a facility necessary to control stormwater from more than one development.

On-site Stormwater Management. The design and construction of systems necessary to control stormwater within an immediate development.

Real Property. Real property shall include lands, tenements and hereditaments.

Redevelopment. Any construction, alteration or improvement performed on sites where existing land use is commercial, industrial, institutional, or multifamily residential and existing site impervious area exceeds forty (40) percent.

Retention Structure. A permanent structure that provides for the storage of runoff by means of a permanent pool of water.

Retrofitting. The implementation of ESD practices, the construction of a structural BMP in a previously developed area, or the modification of an existing structural BMP in a previously developed area to improve water quality over current conditions.

Storm Drain System. Any facilities that collect, store, convey or treat stormwater, including but not limited to any roads, both public or private, with drainage systems or ditches, streets, gutters, flumes, curbs, inlets, piped storm drains, pumping facilities, retention and detention basins, stormwater management facilities, environmental site design practices, natural and human-made or altered drainage channels, reservoirs, and other drainage structures that are within the City and are not part of publicly owned treatment works.

Stormwater. Water that originates from a precipitation event.

Stormwater Fee Billing Unit (Billable Unit, Billing Unit, BU). 500 square feet of impervious area.

Stormwater Fee Rate (Rate). The rate per stormwater fee billing unit to be used for calculating the stormwater program fee. The rate shall be set by the City Council with the adoption of the budget or by separate resolution.

Stormwater Management System. Natural areas, ESD practices, stormwater management measures, and any other structures through which stormwater flows, infiltrates or discharges from a site.

Stormwater Standards. The 2015 City of Gaithersburg Stormwater Design and Maintenance Standards and Specifications and all subsequent revisions, to be adopted by regulation pursuant to Section 2-10 of the City Code, that serves in addition to the Maryland Stormwater Design Manual and specifies design, inspection, maintenance, and other stormwater management requirements that are unique to the City of Gaithersburg, and are not enumerated in the Design Manual.

Watershed. The total drainage area contributing runoff to a single point.

Watershed Management Plan. A City-approved plan for watershed restoration, developed in accordance with Section 8-21(g) of the City Code, that is acceptable to the approving agency and/or the Administration.

Water Quality Volume (WQv). The volume needed to capture and treat the runoff from ninety (90) percent of the average annual rainfall at a development site. Methods for calculating the water quality volume are specified in the Design Manual.

Website. The City of Gaithersburg's official website, www.gaithersburgmd.gov. Information contained in this manual is accessible from the Environmental Services page under the Services tab.



SECTION FOUR - Fee Timeline

The following table presents the annual timeline for the Stormwater Program Fee and its associated credit, appeal, and hardship programs. The fee timeline is referred to in multiple sections of the Stormwater Program Fee Manual; the table of important dates is included here as a reference.

Important Timeline Notes:

- *All credit and appeal application approvals made by May 1 prior to the billing year (beginning July 1) will be processed and applied to the stormwater fee for the upcoming billing year. Any credit or appeal applications not finalized by May 1 prior to the subject billing year will take effect the following billing year if approved.*
- *Reimbursement checks will be issued on a periodic basis for approved appeal applications.*
- *For the two billing years only (FY 2016 and FY 2017), reimbursement checks for BMP credits will be issued on a periodic basis (see [Section Seven-Stormwater Program Fee Credits](#)).*

Stormwater Program Fee Timeline

Date	Description
January 1	Impervious surface data is frozen as of January 1 for use in calculating the Stormwater Program Fee for the billing year beginning July 1.
February 1	City application submission deadline for appeal, hardship, and fee credits to be considered for the billing year beginning July 1. For more information regarding each of the application processes, refer to Section 7–Stormwater Program Fee Credits , Section 8–Review and Appeals Process , and Section 9–Hardship Provisions .
May 1	<p>Deadline for City approval of credit and appeal applications to be eligible for the same year’s billing cycle. Credit and appeal applications received by February 1 that are approved by the May 1 deadline will be applied to the upcoming year’s billing file.*</p> <p>Maryland Homeowners Tax Credit (MHTC) eligibility data for the previous tax assessment year is retrieved from the State and applied to the billing file. Homeowners must receive approval from the State for the previous year’s MHTC by May 1 to qualify for the Stormwater Program Fee hardship credit. The application and more information about the Maryland Homeowners Tax Credit program can be found at http://www.dat.state.md.us/sdatweb/htc.html.</p>
June	City sends final billing data to Montgomery County for inclusion in property tax bills.
July 1	<p>Start of the Stormwater Program Fee billing year.</p> <p>Montgomery County property tax bills are sent out.</p>
September 1	State deadline for homeowners to apply for the Maryland Homeowners Tax Credit. Application materials can be found on the Maryland Department of Assessments and Taxation website . Approved homeowners qualify for the City’s hardship program , and will be automatically exempted from paying the Stormwater Program Fee.

**Any credit or appeal applications not finalized by May 1 prior to the start of the billing year (July 1) will not be applied to the current billing year, but will go into effect the following year if approved.*

***Reimbursement checks will be issued on a periodic basis for approved appeal applications.*



SECTION FIVE - Introduction to Stormwater

What is Stormwater Runoff?

Stormwater runoff occurs when precipitation from rain or snowmelt flows over the ground. Most of Gaithersburg's stormwater is generated from impervious surfaces such as paved streets, parking lots, and rooftops, with a smaller amount originating from pervious surfaces (such as grass) during large storms. Impervious surfaces seal the soil surface, preventing rainfall from naturally soaking into the ground. The excess water runs off and flows into the storm drain system where it is carried untreated into local waterways.

The Problems with Stormwater Runoff

According to the EPA, polluted stormwater runoff is currently the leading cause of water quality impairment in the United States. As the water runs over land, it picks up pollutants like oil, fertilizers, pesticides, pet waste, and sediment. As the stormwater increases in volume and speed, it causes stream bank erosion and dumps more sediment into the stream, which harms aquatic insects, fish, and animals that depend on the stream for their food and habitat.

Uncontrolled and untreated stormwater runoff is associated with a number of negative impacts, including:

- Soil and stream bank erosion;
- Excessive algae growth in local waterways;
- Loss of habitat for aquatic animals and other wildlife;
- Pollution of local drinking water supplies;
- Unsafe and unpleasant recreational areas; and
- Increased flooding in urban and suburban areas.

The following “before” diagram (**Figure 2**) illustrates how stormwater runoff without proper treatment contributes to poor water quality. Adequately managing and treating stormwater helps reduce the volume and speed of runoff and prevents pollutants from entering our waterways, thereby improving local water quality.

Solutions for Improved Water Quality

The City is working together with community members to address the runoff issues where they start – on the ground. There are several ways the City of Gaithersburg helps manage stormwater and protects water quality. Some of these projects and programs include:

- Implementation of stream restoration and other water quality remediation projects;
- Installation of stormwater management controls in untreated areas;
- Maintenance of the City’s storm drain infrastructure to prevent flooding;
- Implementation of an illicit discharge and spill response program to prevent and respond to water pollution reports; and
- Administration of a rebate program for eligible property owners to install Rainscapes projects on their properties.

The “after” illustration on the following page demonstrates some of the

Before & After

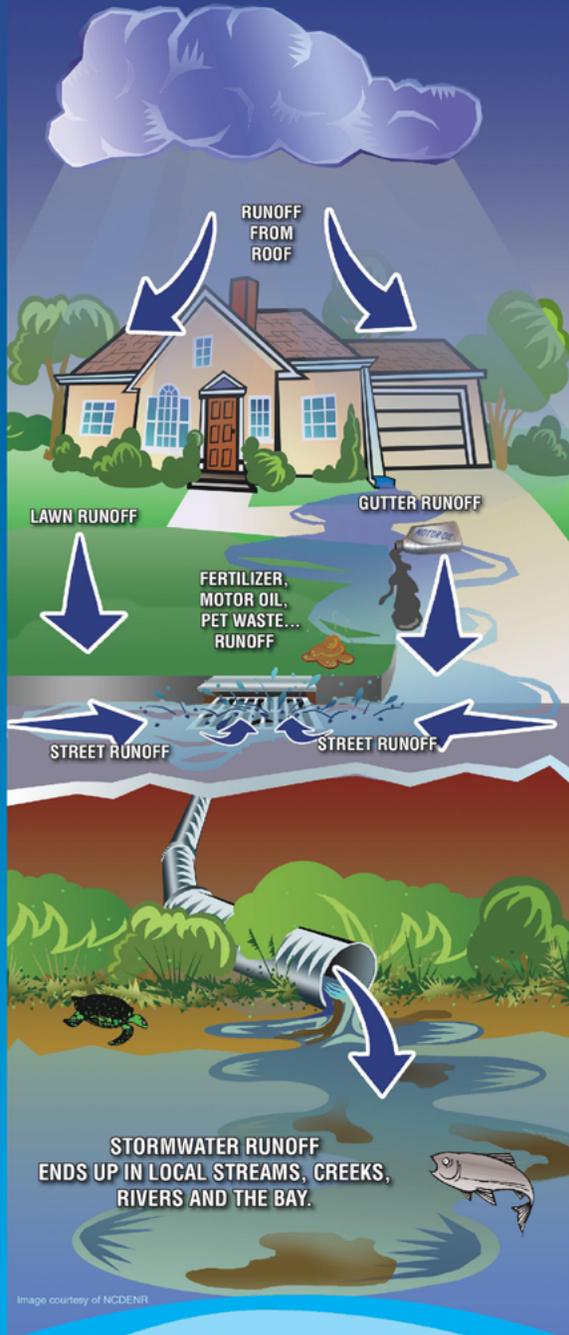


Image courtesy of NCDENR

Reduce runoff...

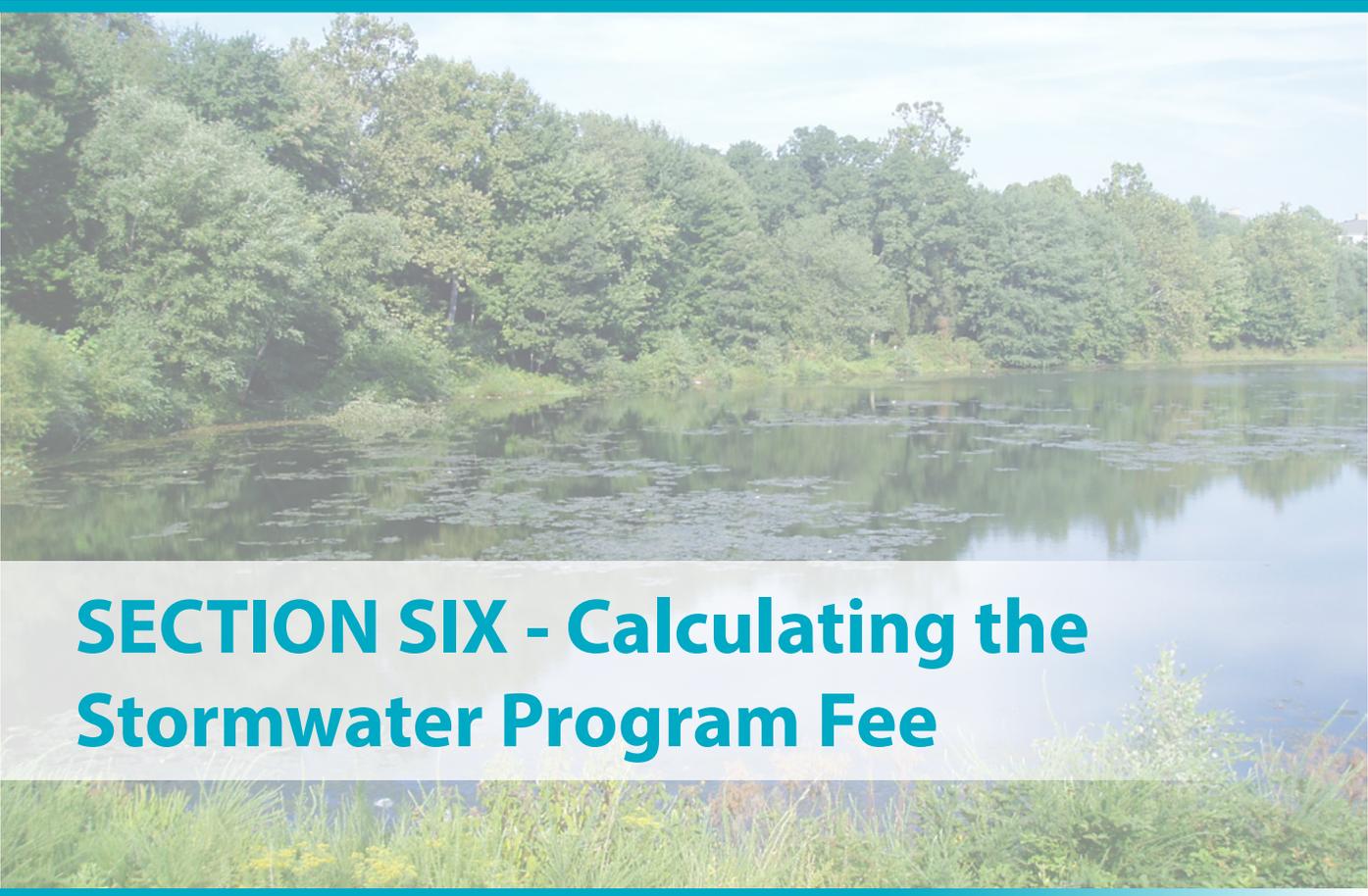


Keep pollutants out!

Figure 2: Adequately capturing and treating stormwater runoff is essential to protecting local water quality and the Chesapeake Bay. (Image courtesy North Carolina Department of Environment and Natural Resources).

stormwater management techniques the City uses to protect water quality. For example, rain gardens and other stormwater management facilities help to capture and treat polluted stormwater before it enters local water bodies (see **Figure 2**).

All of these actions combined help reduce flooding, protect private property, improve the environment, and contribute to healthy, thriving communities. Gaithersburg's Stormwater Program Fee helps fund these programs, and is one of many tools the City uses to help keep our local waterways healthy.



SECTION SIX - Calculating the Stormwater Program Fee

All improved properties within the City are assessed a Stormwater Program Fee based on the amount of impervious area contained on their property. With this approach, each property owner's fee will not be the same, as the fee is based on the number of impervious billing units present on a given property. One billing unit is defined by the City as 500 square feet of impervious surface. The City calculates the Stormwater Program Fee based on the most up-to-date impervious cover data as of January 1 of each year.

The Stormwater Program Fee rate is the fee for one impervious billing unit, and is used to determine each property's total fee. The Mayor and City Council adopt the Stormwater Program Fee rate (the rate) on a yearly basis. ***For fiscal year 2016 (beginning July 1, 2015), the Mayor and City Council have set the rate at \$20.04 per billing unit.***

This section provides an overview of the fee calculation inputs, and the methods related to information collection, data management, and final calculation of the Stormwater Program Fee. Several example calculations for various property types can be found at the end of this section.

What is Impervious Surface?

The Gaithersburg City Code defines impervious surface as “a surface which has been covered with a layer of material so that it is resistant to infiltration by water, including semi-pervious surfaces such as compacted clay, gravel used as travelways, most conventionally surfaced streets, roofs, sidewalks, parking lots, and other similar surfaces.”

Impervious surfaces seal the soil surface, preventing rainfall from naturally soaking into the ground. Most of Gaithersburg’s stormwater is generated from impervious areas, such as paved streets, parking lots, and rooftops. The excess water runs off and flows into the storm drain system where it is carried untreated into local waterways.

Impervious surfaces are found in many physical structures and features on the ground. **Table 1** lists common structures and features, and notes which ones comprise billable impervious surface for the Stormwater Program Fee. **Only billable impervious features are used in calculating the fee.**

Table 1. Billable Impervious Surface

Ground Feature	Billable Impervious
Buildings/Rooftops	Yes
Driveways	Yes
Parking Lots	Yes
Private Sidewalks/Walkways	Yes
Private Roads in Real Property	Yes
Patios	Yes
Swimming Pools	Yes
Athletic Courts	Yes
Railways	Yes
Athletic Fields	No
Public Sidewalks	No
Public Roads	No
Wooden Decks	No

Impervious Surface:

A surface which has been covered with a layer of material so that it is resistant to infiltration by water, including semi-pervious surfaces such as compacted clay, gravel used as travelways, most conventionally surfaced streets, roofs, sidewalks, parking lots, and other similar surfaces.

-City Code Chapter 8

Update of Impervious Surface Data

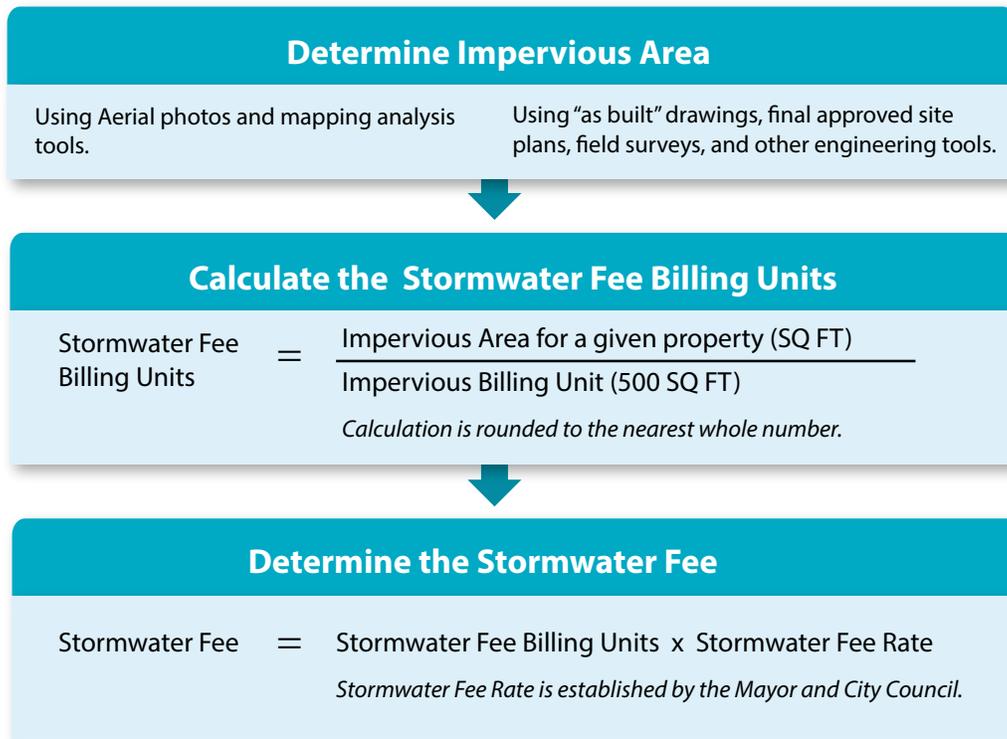
As each property's fee is based on the number of impervious billing units it contains, it is critical that the City's impervious surface data is current and accurate. The City maintains a map of impervious features for all properties, such as building footprints, parking lots, and driveways (see **Table 1; Figure 3**). When the City acquires aerial imagery every one to two years, all of the impervious features are reviewed and updated citywide. Interim updates for specific sites are performed between aerial imagery acquisitions and are based on as-built drawings, final approved site plans, field surveys, and other engineering tools. At the time of the Stormwater Program Fee calculation, the impervious surface data reflects the condition of the impervious surfaces as of January 1 prior to the billing year.



Figure 3: The areas highlighted in blue represent the impervious surface present in one City neighborhood.

How is the Stormwater Program Fee Determined?

The basic process for calculating an individual property's Stormwater Program Fee is illustrated below:



Note: A fee is not assessed if a property contains less than 250 square feet of impervious surface.

Calculation Methods by Property Type

- Single Family Residential Properties (Detached Homes and Townhomes): The fee for single family residential properties is described in the illustration above. Once a property's total impervious area has been determined, it is converted into billing units and multiplied by the fee rate to calculate the total fee.
- Single-Account Commercial, Multi-Family Apartment, Homeowners Association, and Nonprofit Properties: For properties of any type that are associated with a single tax account, the fee is calculated the same way as shown in the diagram above. Once a property's total impervious area has been determined, it is converted into billing units and multiplied by the fee rate to calculate the total fee.
- Condominium, Mixed-Use, and Multiple-Account Properties: The fee process for properties with multiple associated tax accounts begins by following the base calculation described above. The total impervious area for the property is converted into billing units; the total billing units are then divided between all associated tax accounts. Each account's billing units are then multiplied by the fee rate to determine the total fee per property account.

Fee Calculation Examples

Example fee calculations are provided on the following pages for the property type scenarios listed below:

- Single Family Residential Homes (Detached Homes and Townhomes)
- Single-Account Commercial, Multi-Family Apartment, Homeowners Association, and Nonprofit Properties
- Residential Condominium and Multiple-Account Properties
- Mixed-Use and Commercial Condominium Properties

Example Fee Calculation Inputs

One Billable Unit (BU) = 500 Square Feet

Stormwater Fee Rate (per BU) = \$20*

Total Number of Billable Units per Property = $\frac{\text{(Billable Impervious Square Feet)}}{\text{(500 Square Feet)}}$

*The Stormwater Fee Rate value (shown above) is used ***for illustration purposes only*** in the fee calculation examples shown on the subsequent pages.

Example #1: Single Family Residential Homes (Detached Homes and Townhomes)

Scenario: A single family home has 2,100 square feet of impervious surface within the property boundary, excluding non-billable features such as a wooden deck and the public sidewalk (see **Figure 4**).

Fee calculation: To assess the property's fee, the impervious area is first converted into billable units by dividing the total impervious by the base unit of 500 square feet. This property is determined to have

four (4) billable units, after rounding. The number of billable units is then multiplied by the stormwater fee rate to arrive at the final fee. Per the example, a single-family home with 2,100 square feet of impervious surface **would be charged \$80 annually**. See the calculation in the table below.

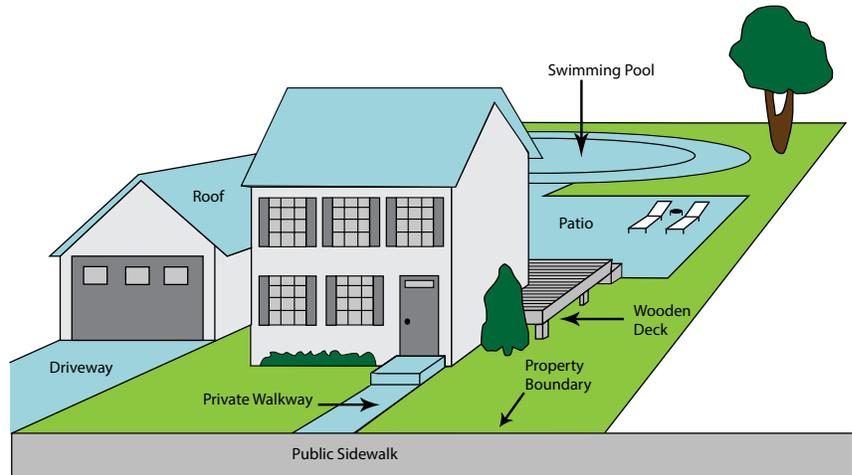


Figure 4: The areas shown in blue represent the billable impervious surface present on a single-family residential property.

Single Family Residential Example Calculation	
Total Impervious Area on Property	2,100 square feet
Stormwater Program Fee Billable Unit (BU)	500 square feet
Total Billable Units (BU) on Property*	4 BU*
$BU = \frac{2,100 \text{ s.f.}}{500 \text{ s.f.}} = 4.2 \approx 4$	
Stormwater Fee Rate per Billable Unit**	\$20**
Total Fee for Single-Family Property	\$80
Total Fee = 4 BU × \$20	
*Note: The billable unit calculation is rounded to the nearest whole number.	
**The stormwater fee rate used in this example calculation is for illustration purposes only .	

Example #2: Single-Account Commercial, Multi-Family Apartment, Homeowners Association, and Nonprofit Properties

Scenario: A private non-residential property has 50,000 square feet of impervious surface within its parcel boundary, excluding non-billable features such as the public sidewalk (see **Figure 5**). The property is associated with a single tax account, indicating one property owner.

Fee calculation: To assess the property's fee, the impervious area is first converted into billable units by dividing the total impervious by the base unit of 500 square feet. This property is determined to have 100 billable units of impervious area, with no rounding necessary in this example. The number of billable units is then multiplied by the stormwater fee rate to arrive at the final fee. As there is only one property tax account associated with the parcel, the full fee will be attributed to the subject account. Per the example, a property with 50,000 square feet of impervious surface **would be charged \$2,000 annually**. See the step-by-step calculation in the table below.

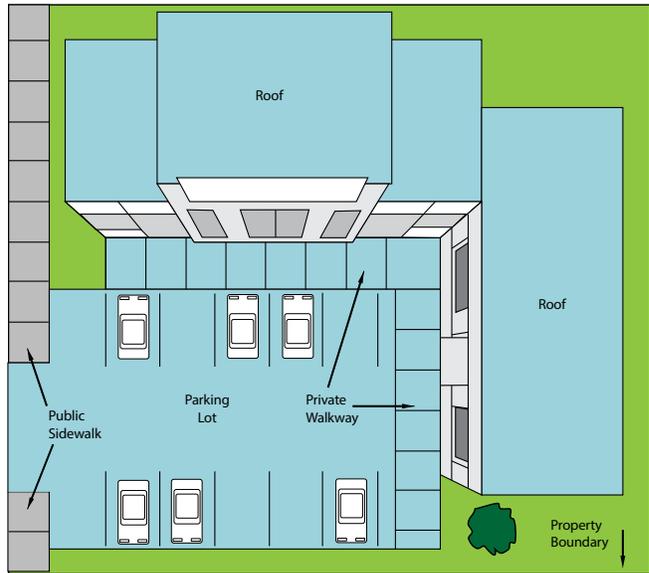


Figure 5: The areas shown in blue represent the billable impervious surface present on a property with one property owner.

Single-Account Commercial, Multi-Family Apartment, Homeowners Association, and Nonprofit Property Example Calculation	
Total Impervious Area on Property	50,000 square feet
Stormwater Program Fee Billable Unit (BU)	500 square feet
Total Billable Units (BU) on Property*	100 BU*
$\text{BU} = \frac{50,000 \text{ s.f.}}{500 \text{ s.f.}} = 100$	
Stormwater Fee Rate per Billable Unit**	\$20**
Total Fee for Single-Family Property	\$2,000
Total Fee = 4 BU × \$20	
*Note: The billable unit calculation is rounded to the nearest whole number.	
**The stormwater fee rate used in this example calculation is for illustration purposes only .	

Example #3: Residential Condominium and Multiple-Account Properties

Scenario: A condo property has 20,000 square feet of impervious surface within its property boundary. The property includes multiple common-area features including a swimming pool, tennis court, and parking lot (see **Figure 6**). Twenty-five condo owners live in the building and share use of the common areas.

Fee calculation: To assess this property's fee, the impervious area is first converted into billable units by dividing the total impervious by the base unit of 500 square feet. This property is determined to have forty (40) billable impervious units, with no rounding necessary in this example. The number of billable units is then divided among the 25 condo units, so that each condo is associated with 1.6 billable units of impervious surface.

The total fee per condo is then calculated by multiplying the number of billable units per condo by the base fee rate. In this example, the condominium development contains twenty-five units, and **the charge per unit would be \$32.**

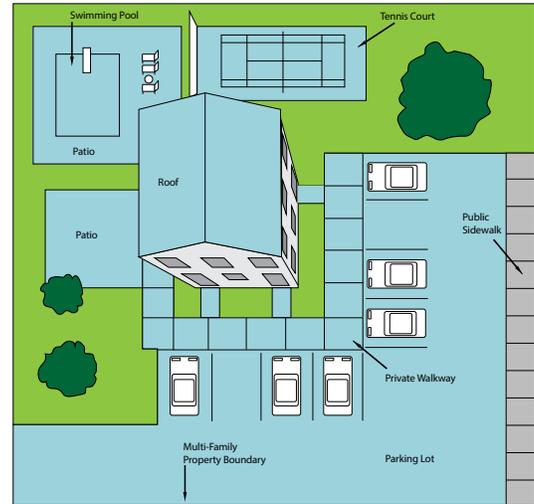


Figure 6: The areas shown in blue represent the billable impervious surface present on a multiple-owner residential condominium property.

Residential Condominium Example Calculation	
Total Impervious Area on Property	20,000 square feet
Stormwater Program Fee Billable Unit (BU)	500 square feet
Total Billable Units (BU) on Property*	40 BU*
$BU = \frac{20,000 \text{ s.f.}}{500 \text{ s.f.}} = 40$	
Number of Condominium Units	25
Total Billable Units per Condo	1.6 BU*
$BU = \frac{40 \text{ BU}}{25} = 1.6$	
Stormwater Fee Rate per Billable Unit**	\$20**
Total Fee per Condominium Unit	\$32
$\text{Fee per Unit} = 1.6 \text{ BU} \times \20	
<p><i>*Note: The billable unit calculation is rounded to the nearest whole number when determining the total number of billable units on a property. Billable units are not rounded when divided among the property accounts.</i></p> <p><i>**The stormwater fee rate used in this example calculation is for illustration purposes only.</i></p>	

Example #4: Mixed-Use and Commercial Condominium Properties

Scenario: A four story live-work building located in a mixed-use development was constructed with three floors of residential living units above the first floor retail space. Each floor occupies the same building footprint. The total amount of impervious surface within the property boundary is 8,100 square feet, excluding non-billable features such as the public sidewalk. This property has two tax accounts associated with it: one for the owner of the commercial space (Owner A), and one for the owner of the residential space (Owner B).

Mixed-Use Property Example Calculation	
Total Impervious Area on Property	8,100 square feet
Stormwater Program Fee Billable Unit (BU)	500 square feet
Total Billable Units (BU) on Property*	16 BU*
$\text{BU} = \frac{8,100 \text{ s.f.}}{500 \text{ s.f.}} = 16.2$	
Number of Property Owners	2
Impervious Proportion for Owner A	25%
Billable Units (Owner A) Owner A = 16 BU × 0.25 = 4	4 BU*
Impervious Proportion for Owner B	75%
Billable Units (Owner B) Owner B = 16 BU × 0.75 = 12	12 BU*
Stormwater Fee Rate per Billable Unit**	\$20**
Total Fee per Property Owner	
Owner A Fee = 4 BU × \$20 = \$80	Owner A = \$ 80
Owner B Fee = 12 BU × \$20 = \$240	Owner B = \$240
*Note: The billable unit calculation is rounded to the nearest whole number when determining the total number of billable units on a property. Billable units are not rounded when divided among the property accounts.	
**The stormwater fee rate used in this example calculation is for illustration purposes only .	

Fee calculation: To assess the property's fee, the impervious area is first converted into billable units by dividing the total impervious surface by the base unit of 500 square feet. This property is determined to have sixteen (16) billable units after rounding. The number of billable units is then divided by the proportion assigned to each property owner. In this example, the retail space takes up one of the four stories (25%), while the residential units occupy three of the four stories (75%).

The total fee is then calculated for each property by multiplying the number of billing units per owner by the stormwater fee rate. Per the example, **Owner A would be charged \$80** and **Owner B would be charged \$240**. Please see the table on the preceding page for a step-by-step walkthrough of the fee calculation.



SECTION SEVEN - Stormwater Program Fee Credits

The City is engaged with Montgomery County and the Chesapeake Bay states to reduce the amounts of key pollutants reaching the Chesapeake Bay. Stormwater can be better managed on-site to reduce the impacts to the stormwater system by using environmental site design (ESD) techniques that mimic the natural hydrologic system. The City provides an incentive in the form of a credit to the annual Stormwater Program Fee to encourage and offset the cost of providing stormwater management.

The City offers property owners a way to reduce their Stormwater Program Fee by putting in place stormwater practices that manage their property's stormwater. Property owners with on-site treatment facilities are eligible for credits if the existing best management practices (BMPs) effectively reduce the pollutants leaving the City. Credits are calculated based on their effect on both stormwater quality and quantity.

Detailed submittal requirements for all fee credits can be found in the credit application materials located at City Hall and on the Environmental Services section of the City website.

Stormwater Program Fee Credits Available for Commercial Properties, Homeowners Associations, and Nonprofit/Non-tax Paying Entities

Fee credits for eligible stormwater BMP types will be based on the design standards and pollution reduction levels defined in the following documents:

- The 2009 edition of the 2000 Maryland Stormwater Design Manual;
- The 2000 Maryland Stormwater Design Manual;
- The City of Gaithersburg Stormwater Design and Maintenance Standards and Specifications; and
- The Maryland Department of the Environment Accounting for Stormwater Waste Load Allocations and Impervious Acres Treated guidebook.

Design technique standards for credits are based on the following definitions:

- **Current Standards:** Applies to facilities designed and constructed using the 2009 edition of the 2000 Maryland Stormwater Design Manual.
- **Previous Standards:** Applies to facilities designed and constructed using the original edition of the 2000 Maryland Stormwater Design Manual.

Stormwater management facilities and treatment practices that were designed and implemented prior to the development of the standards listed above are not eligible for fee credits. However, such older facilities may qualify for a fee credit if they have been retrofitted according to the standards listed above.

The following table outlines the credits available to eligible commercial properties, homeowners associations, and nonprofit/non-tax paying entities:

Credits Available to Properties Providing Stormwater Treatment

Type of SWM Provided	Current Standards (2009 Manual)	Previous Standards (2000 Manual)
SWM Quantity Control (Meets Channel Protection Storage Volume, CPv Standard)	Up to 25%	Up to 10%
SWM Quality Control (Meets Water Quality Volume, WQv Standard)	Up to 25%	Up to 10%
Maximum Allowable Stormwater Program Fee Credit	Up to 50%	Up to 20%

CREDIT PROGRAM CONDITIONS

- **Maximum credits are cumulative and cannot exceed the Chesapeake Bay Restoration Compliance portion of the Stormwater Program Fee.** As described in the introduction to this manual, the Stormwater Program Fee paid by each property owner is distributed between two expenditure categories—Chesapeake Bay Restoration Compliance and System Maintenance. **Only the portion of the fee associated with Bay restoration is eligible for credit—see table below for credit calculation example.**
- **Credits will not be issued for best management practices (BMPs) with no design information available, or if the facility is not functional, not operating as designed, or requires cleaning, maintenance, or repair.** Documentation of the facility's current condition and performance level will be submitted as part of the application process.
- **Additional eligibility requirements are outlined in the Stormwater Program Fee credit application materials.**
- **The total fee charged for each property will be posted on the City's website and will include any credits issued.**

Stormwater Program Fee Credits Available for On-site Stormwater Treatment

Commercial properties, homeowners associations, and nonprofit/non-tax paying that provide treatment of on-site stormwater are eligible for the following fee credits for existing and/or new treatment practices:

On-site Credits for Existing Best Management Practices

A total credit of up to 50% of the total fee (up to 25% for water quality and up to 25% for water quantity), not exceeding the Bay Restoration portion of the fee, may be given for existing improvements that were made under the current standards. The actual credit awarded will be based on the type of best management practice (BMP) used, taking into consideration the impacts on water quality and quantity.

A total credit of up to 20% of the total fee (up to 10% for water quality and up to 10% for water quantity), not exceeding the Bay Restoration portion of the fee, may be given for existing improvements that were made under the previous standards. The actual credit awarded will be based on the type of BMP used, taking into consideration the impacts on water quality and quantity.

On-site Credits for Installation of New Best Management Practices

A total credit of up to 50% of the total fee (up to 25% for water quality and up to 25% for water quantity), not exceeding the Bay Restoration portion of the fee, may be given for new improvements and retrofits that are made using the current standards. The actual credit awarded will be based on the type of best management practice used, taking into consideration the impacts on water quality and quantity. Credit will not be awarded until after the complete installation of the new BMP(s).

Off-Site Treatment Credits Available for Commercial Properties, Homeowners Associations, and Nonprofit/Non-tax Paying Entities

Properties with a stormwater management facility (new or existing) that treats off-site impervious area from other properties (not including public right-of-ways), may receive credit for the off-site impervious area up to the total amount of the Bay Restoration portion of their Stormwater Program Fee. The actual credit awarded will be based on the type of best management practice used, whether it was designed and constructed using the current or previous standards, and will take into consideration the impacts on water quality and quantity. Credit will not be awarded for new BMP(s) until installation/implementation is complete.

Homeowners Association Partnership Program

In order to accomplish Chesapeake Bay restoration commitments, the City will consider partnering with Homeowners Associations to construct stormwater improvements on HOA property. A “right of entry” agreement, access easement, and a Memorandum of Understanding (MOU) outlining construction and maintenance responsibilities will be required for any partnership between the City and a private entity. The requirements for these documents are outlined in the City of Gaithersburg Stormwater Design and Maintenance Standards and Specifications .

For projects that are fully constructed and maintained by the HOA, a total credit of up to 50% of the total fee (up to 25% for water quality and up to 25% for water quantity), not exceeding the Bay Restoration portion of the fee, may be given for improvements that are made in accordance with the current standards. The actual credit awarded will be based on the type of best management practice (BMP) used, taking into consideration the impacts on water quality and quantity; credit will be awarded only after the complete implementation of the new BMP(s).

Any HOA-funded projects that treat additional off-site impervious area from other properties (not including public right-of-ways) may receive credit for the off-site impervious area up to the total amount of the Bay Restoration portion of their Stormwater Program Fee. The actual credit awarded will be based on the type of best management practice used, taking into consideration the impacts on water quality and quantity.

For projects that are partially funded by the City, the HOA may receive a fee credit of up to 25% of the total fee, as long as the improvements are maintained as designed and constructed. Improvements must be made in accordance with the current standards. The actual credit awarded will be based on the type of best management practice used, taking into consideration the impacts on water quality and quantity; credit will be awarded only after the complete implementation of the new BMP(s).

Chesapeake Bay Trust Grant Program

The City of Gaithersburg has partnered with the [Chesapeake Bay Trust](#) to initiate a grant program in support of watershed restoration throughout Gaithersburg. The goal of this program is to reduce stormwater runoff and pollutants through community-based restoration implementation. Projects and programs will be administered through grants to engage nonprofit organizations and expand partnerships for implementing best management practices in the City's developed areas.

For more information and to obtain a copy of the Request for Proposals (RFP), please visit the [Chesapeake Bay Trust](#) website or contact the City of Gaithersburg Environmental Services Division.

Residential Credit Program (Single Family Homes and Townhomes)

The City offers up to a 50% reduction of the total fee for installation of pervious pavement for areas larger than 250 square feet. Pervious pavement (also known as permeable or porous pavement) may include any permeable materials such as pavers, pervious asphalt, and pervious concrete. Pervious pavement is an alternative to solid asphalt or concrete surfaces, and allows stormwater to drain through the porous surface to a stone reservoir underneath. The reservoir temporarily stores surface runoff before infiltrating it into the subsoil. Permeable pavement promotes groundwater recharge.

The appearance of the alternative surface is often similar to asphalt or concrete, but it is manufactured to incorporate void spaces that allow for storage and infiltration. Underdrains may also be used below the stone reservoir if soil conditions are not conducive to complete infiltration of runoff.

In order to continue receiving credit, projects must be designed, constructed, and maintained according to the current standards and individual product specifications.

Rainscapes Rewards

The City also offers a Rainscapes Rewards program that provides financial assistance in the form of rebates to eligible property owners to construct small scale improvements such as conservation landscapes and rainwater collection devices (rain barrels/cisterns). Applications and details regarding Rainscapes Rewards can be found on the Environmental Services page of the City's website. No Stormwater Program Fee credit is available for the small scale improvements covered under the Rainscapes Rewards rebate program.

How to Apply for a Credit

Applicants are encouraged to schedule a pre-application meeting with City staff to discuss their property's unique circumstances.

1. Submit a credit application to City Hall by February 1 for any credits to be considered for the upcoming assessment year (each assessment year begins on July 1—see the [fee timeline table](#) in Section Four).
2. Applicants will be notified by mail if an application has been approved for a credit; all credit decisions made by May 1 prior to the assessment year will be processed and applied to the stormwater fee for the upcoming billing year.
3. Any applications received after February 1 will be processed according to the fee timeline; those that are processed and awarded credit after May 1 will have the credit applied beginning with the following billing cycle.

All approved credits will need to be verified on an annual basis to continue receiving credit for the Stormwater Program Fee. The verification form can be found in the credit application materials located at City Hall and on the Environmental Services page under the Services tab of the City website at www.gaithersburgmd.gov.

Please see the credit application materials for further details on each of the available credit programs.



SECTION EIGHT - Review and Appeals Process

Per Section 8-50(a) of the City Code, a property owner can petition the City Manager for a Stormwater Program Fee adjustment or claim an error in the fee calculation or credit approval processes. If the City Manager denies the petition, Section 8-50(d) specifies that the applicant may appeal directly to the Circuit Court of Appeals for Montgomery County.

Please refer to the [fee timeline table](#) in Section Four for additional application processing information.

How to Apply for Fee or Credit Appeal

If a property owner has reason to believe that the impervious area has been incorrectly identified and/or that a credit approval or denial is incorrect, the following steps may be taken:

1. Complete the appeal request application, including the property address and a summary of the request (*all application materials are located on the Environmental Services page under the Services tab of the City website at www.gaithersburgmd.gov*).
2. Bring the application along with any evidence that supports the claim to City Hall (31 South Summit Avenue, Gaithersburg, MD 20877) to discuss the matter with a City staff member. Supporting documentation may include photographs, images, drawings, dimensions, calculations, or other pertinent information.
3. Staff will explain how the City determined the calculation and/or credit for the subject property.
4. Based on the information provided, staff will review the request and respond by mail within 30 calendar days.



SECTION NINE - Hardship Provisions

The City recognizes that some Gaithersburg residents may experience unique hardships that would make payment of the Stormwater Program Fee unachievable. A relief program has been established to absorb the costs for the small percentage of individuals who are unable to pay the fee.

Homeowners who are already approved for the Maryland Homeowners Tax Credit (MHTC) will automatically be exempted from paying the Stormwater Program Fee. ***No action will be required from the property owner*** as the City will already have records of those homeowners who were approved for the previous year's HTC credit.

To qualify for a hardship credit, a homeowner must be approved for the previous assessment year's MHTC credit by May 1 prior to the billing year to which the credit will apply. For example, a homeowner must be approved for the 2014 MHTC credit by May 1, 2015 to be eligible for a hardship credit during the 2015 Stormwater Program Fee billing year, which begins July 1, 2015. See the [fee timeline table](#) in Section Four.

Homeowners must apply for the MHTC through the State Department of Assessments and Taxation. Application materials and more information can be found on the [State Department of Assessments and Taxation website](#). Once approved, homeowners will be automatically exempted from paying the Stormwater Program Fee.

How to Apply for a Hardship Appeal

If you believe you qualify for the hardship program but the fee was not automatically exempted from your bill, please submit a hardship appeal application:

1. Complete the appeal request application, including the property address and a summary of the request (*all application materials are located on the Environmental Services page under the Services tab of the City website at www.gaithersburgmd.gov*).
2. Submit the application along with any evidence that supports the claim to City Hall (31 South Summit Avenue, Gaithersburg, MD 20877).
3. Staff will consider the appeal request and respond by mail within 30 calendar days.



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