

## Stormwater Management Fee

**Storm water stress tax:** Impose a City tax to address the impact of increased flooding on the City's combined sewer infrastructure.

### Background

The City's combined sewer system collects both stormwater and sanitary/waste water. Due to increased rains and flooding that result from climate change, greater resources have been allocated to addressing flooding. This includes enlarging existing sewers that cannot accommodate stormwater flows, the Rainblocker program, catch-basin cleaning, main sewer lining and repair programs, and the downspout disconnection program.

For customers in the Chicago service area, which includes all of Chicago and a small number of suburbs, sewer fees are based on the customer's water bill—a sewer service fee of 100% of the amount of the customer's water bill is added as a separate line item to the water bill. The City does not impose a separate fee for stormwater.

### Revenue/Cost Impact

Revenue from a stormwater management fee would depend on the manner in which the fee is imposed and the rate at which it is imposed. A stormwater management fee could be a percentage added to water bills, a flat fee based on the percentage of paved or impermeable surface, or as a fee added to property tax bills. Consideration would need to be given to the impact of different types of properties (residential, commercial, industrial) on the combined sewer system, as well as the impact of any fee on charitable, educational, and religious organizations, or on senior citizens and residents on fixed incomes. Any revenue would likely need to stay in the sewer fund.

### Legal Authority

The City's authority to impose a stormwater management fee would depend on the manner in which the fee would be imposed. The City has authority to assess a fee through the water billing system, so long as the fee is reasonable and nondiscriminatory. If certain resident users are currently imposing a burden on the system that exceeds the fees they are paying, then the City would be able to increase their fees to account for that additional burden. Any fee added to property tax bills would require State legislation.

### Other Cities

Municipalities in the Chicago region have enacted stormwater management fees on several bases, and generally fees are assessed through the water bill. See the table below for details.<sup>1</sup>

City	Basis of fee	Rate
Highland Park	Per unit of impervious surface	\$4.50/month
Rolling Meadows	Per unit of impervious surface	\$3.36/month
Downers Grove	Per unit of impervious surface	\$8.40/month
Northbrook	Drinking water use	\$2.33/month
Aurora	Flat fee	\$3.45/month
Orland Park	Drinking water use	\$3.74/month
Tinley Park	Drinking water use	\$1.68/month
Richton Park	Flat fee	\$5.97/month

<sup>1</sup> In 2013 the Chicago metropolitan Agency for Planning published *The Value of Stormwater Utilities for Local Governments in the Chicago Region*, which contains the data used for city comparisons.

[http://www.cmap.illinois.gov/documents/10180/16791/stormwater\\_utilities\\_for\\_local\\_govts.pdf/866a64a4-ef11-47ce-b4ec-2293686d4a70](http://www.cmap.illinois.gov/documents/10180/16791/stormwater_utilities_for_local_govts.pdf/866a64a4-ef11-47ce-b4ec-2293686d4a70)