

City of Minneapolis
Stormwater Charge
Account Rate Payer User Guide

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Table of Contents

1.0 General Information.....	3
1.1 Overview	3
1.2 Stormwater Charge	3
1.2.1 Stormwater Charge for Single Family Residential Developed Properties.....	3
1.2.2 Stormwater Charge for All Non-Single Family Residential Properties.....	4
2.0 Stormwater Charge Account Review	5
2.1 Purpose	5
2.2 Eligibility	5
2.3 Types of Account Review	5
2.4 Administrative Procedures.....	6
2.4.1 Requesting an Account Review.....	6
2.4.2 Documentation	6
2.4.3 Documentation Costs.....	6
2.4.4 Effective Date	6
2.4.5 Stormwater Charge Payment.....	7
2.4.6 Decision	7
2.4.7 Appeal	7
3.0 Glossary of Terms.....	8
Appendix – A: Stormwater Account Review Calculation Examples	9
A.1 Incorrect ESU	9
A.2 Incorrect Impervious Area	9

Tables

Table 1: Residential ESUs	4
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1.0 General Information

1.1 Overview

This Stormwater Charge Account Review User Guide is intended to be used by property owners or their authorized designee to request an account review if they have concerns regarding the accuracy of their property's stormwater charge and/or need any changes to how the stormwater charge is billed. This Guide provides an overview of the City's stormwater charge and details on how customers can use the account review process and the associated administrative requirements the customers seeking an account review must conform to.

1.2 Stormwater Charge

Minneapolis City Council established a Stormwater Utility and stormwater charge, effective January 1, 2005, pursuant to Chapter 510 of the Minneapolis City Code, to provide a designated source of revenue to fund the City stormwater system operations and maintenance, capital improvement and debt service costs.

The revenues from the monthly stormwater charge are used to operate and maintain the City's storm sewer system, mitigate flooding, and to implement practices to protect the water quality of receiving waterbodies from the impacts of urbanization. Properties within the City limits are charged a monthly stormwater charge.

The stormwater charge for properties is determined based on the Equivalent Stormwater Units (ESUs) determined for a property and the ESU rate. At the current time, each Equivalent Stormwater Unit (ESU) is defined as 1,530 square feet of impervious area on a property. The impervious area is determined based on actual impervious area on the property or estimated based on the property's lot size and the type of land use designated for the property. The ESU and ESU rate are established by ordinance or resolution of the City Council and may be amended from time to time by the City Council. The ESU rate is reviewed annually as part of other City utility rates. The utility rates are adjusted by Council action. Current utility rates are provided on the City's website at: <https://www.minneapolismn.gov/resident-services/utility-billing/rates-fees/>.

1.2.1 Stormwater Charge for Single Family Residential Developed Properties

For the properties in the Single Family Residential Developed Property class, the impervious area is determined either based on a measurement of the actual impervious area on the property or where necessary, estimated based on the property's lot size and a runoff factor that is associated with the property's designated land use.

The square footage designated for the ESU and the effective ESU rate are established by ordinance or resolution of the City Council and may be amended by the City Council.

Single-family residential developed properties are assigned to one (1) of three (3) single-family residential customer classes. The three (3) single-family residential customer classes are as follows:

- a. **Single-family residential developed property (Low)** — This class reflects properties that have an impervious area square footage that is less than one thousand four hundred eighty-five (1,485) square feet of estimated impervious area.
- b. **Single-family residential developed property (Medium)** — This class reflects properties that have impervious area square footage that is equal to or greater than one thousand four hundred eighty-five (1,485) square feet and less than or equal to one thousand five hundred seventy-eight (1,578) square feet of impervious area.
- c. **Single-family residential developed property (High)** — This class reflects properties that have impervious area square footage greater than one thousand five hundred seventy-eight (1,578) square feet of estimated impervious area.

The stormwater charge for each of these classes are based on the designation of ESUs as follows:

Table 1: Residential ESUs

Class	Impervious Area (Square Feet)	ESU
Low	<1,485	0.75 ESU
Medium	1,485 to 1,578	1.00 ESU
High	>1,578	1.25 ESU

1.2.2 Stormwater Charge for All Non-Single Family Residential Properties

Properties that do not belong to the Single Family Residential Developed Property Class, are categorized in to one of the following three classes:

- a. **Other Residential developed property** – This class refers to developed property upon which two (2) or more family and/or multi-family dwellings exist and the stormwater charge is calculated as follows:
 - The impervious area is determined either based on a measurement of the actual impervious area that exists on the property or where necessary, estimated by multiplying the individual property's gross area (lot size) by the Runoff Coefficient associated with the *Multi-family Apartments land use or Multi-family Residential land use*, as appropriate, and as set forth in Appendix A.
 - The number of ESUs for each individual property, in this class, is calculated by dividing the impervious area, determined for the property, by 1,530 square feet.
 - The monthly stormwater charge is calculated by multiplying the ESUs determined for the property by the ESU rate that is in effect.
- b. **Commercial Developed Property** – This class refers to all properties except those that belong to *Single Family Residential Developed Property* or *Other Residential Developed Property* classes.
 - The impervious area is determined either based on a measurement of the actual impervious area that exists on the property or where necessary, estimated by multiplying

the individual property's gross area (lot size) by the Runoff Coefficient associated with the land use that is most similar to the land use to which that individual commercial developed property is currently being put to. The Runoff Coefficient values for various land use are as set forth in Appendix A.

- The monthly stormwater charge is calculated by multiplying the ESUs determined for the property by the ESU rate that is in effect.
 - The minimum stormwater charge for any commercial developed property is the amount equal to one (1) ESU.
- c. **Vacant property-** This class refers to real property upon which there is no structure and includes undisturbed property and land with no building used as a community garden.
- The impervious area is determined either based on a measurement of the actual impervious area that exists on the property or where necessary, estimated by multiplying the individual property's gross area (lot size) by the Runoff Coefficient associated with the vacant property class, as set forth in Appendix A.
 - The number of ESUs for each individual vacant property is calculated by dividing the impervious area, determined for the property, by 1,530 square feet.
 - The monthly stormwater charge is calculated by multiplying the ESUs determined for the property by the ESU rate that is in effect.
 - There is no minimum stormwater charge for vacant property.

2.0 Stormwater Charge Account Review

2.1 Purpose

The City's account review process enables property owners and/or their authorized designees to either request a review of the billing data used in the determination of the stormwater charge or seek changes to how those charges are billed, an account review may be initiated based on a customer inquiry or based on an internal review.

Note: All customer inquiries may not result in an account review if City staff is able to respond to a customer's concerns without performing an account review.

2.2 Eligibility

Residential and commercial property owners or their authorized designees, can contact the City's Utility Billing Customer Service if they have any general inquiries on the stormwater charge or to request an account review. The property owner must state that they are authorizing the designee to engage with the City regarding stormwater charge and related account inquiries and provide contact information (name and email address) of the authorized designee. For the purpose of this Guide, the property owner or their authorized designee are referred to as the "owner".

2.3 Types of Account Review

There are five types of account review that a customer can request, when necessary. They are as follows:

1. **Equivalent Stormwater Units (ESU)/Impervious Square Footage (ISF):** The customer can request an account review if the Impervious Area or Equivalent Stormwater Units assigned to the parcel is believed to be inaccurate.
2. **Land Use Code:** Customers can request an account review if they believe that the Land Use code assigned to their parcel is inaccurate.
3. **Duplicate stormwater bills:** Customers can request an account review if the stormwater charge for the same parcel is being assessed on multiple utility accounts.
4. **Combining stormwater bills:** Customers can request an account review if they want to consolidate multiple stormwater bills for individual parcels that are part of the same property to bill on one single account for that property.
5. **Stormwater is not billing:** Customers can request an account review if they are not receiving any stormwater charge on the property's utility account.

2.4 Administrative Procedures

This section presents the administrative procedures that govern the City's stormwater charge account review.

2.4.1 Requesting an Account Review

There is no application form and/or fee for requesting an account review. Customer must contact the City's Utility Billing Customer Service via email or phone for general inquiries or to request an account review.

2.4.2 Documentation

During the review of the account, the City may request additional information from the customer, if necessary, after its initial review.

2.4.3 Documentation Costs

The City will not reimburse any costs that the customer incurs in the preparation of any supporting documentation that the City staff may request to complete the account review.

2.4.4 Effective Date

Any changes to the billing data on the account as a result of the account review will become effective as of the account review request date determined by the account reviews. Dates other than the account review request date may include:

- Development application date
- Erosion Control Permit issuance or closure date

- Construction/Building permit issuance date
- Property ownership transfer date
- Discovery date
- Aerial photograph date

2.4.5 Stormwater Charge Payment

A pending account review request application shall not constitute a valid reason for non-payment of the currently assessed stormwater charge.

2.4.6 Decision

The Department of Public Works Surface Water and Sewers will review and send a written decision letter to the property owners and/or the authorized designee upon completion of the account review.

2.4.7 Appeal

Owners of residential or commercial property may file an appeal on the City's decision on the account review and/or the associated calculations or findings. The appeal must be filed with the Director of the Department of Public Works Surface Water and Sewers. The owner can file the appeal if they disagree with the following:

- i. Land use code that is assigned to their parcel
- ii. Impervious Area of their parcel
- iii. Calculation of the stormwater charge

The parcel owner must file a written notice of appeal to the director at the director's customary offices within 10 days of the notice of that determination.

3.0 Glossary of Terms

- i. **Owner: For the purposes of this guide**, a residential or commercial parcel /property owner requesting an account review. Also, a non-owner authorized by the parcel/property owner to submit an account review request on behalf of the property owner.
- ii. **Commercial Properties**: all developed properties, except single family homes, duplexes and triplexes. This includes properties being used for construction staging, parking, or some other purpose which has created impervious area on the property.
- iii. **Equivalent Stormwater Unit (ESU)**: A unit of measure that is equal to 1,530 square feet of impervious surface, as established by City Council resolution or ordinance.
- iv. **Equivalent Stormwater Unit Rate (ESU Rate)**: The storm sewer charge imposed on any property located in the City that is deemed to have impervious area on the property. The amount of ESUs multiplied by the ESU rate shall determine the monthly stormwater utility charge for a parcel.
- v. **Impervious Area** means the number of square feet of hard surface areas that either prevent or retard the entry of water into the soil matrix, as it entered under natural conditions as undisturbed property, and/or cause water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions as undisturbed property, including, but not limited to, roofs, roof extensions, driveways, pavement, gravel, bare or exposed soil, compacted soil, and athletic courts.
- vi. **Other residential developed property**: Developed property upon which two (2) or more family and/or multi-family dwellings are located.
- vii. **Single-family residential developed property**: Developed property upon which single-family detached dwellings are located. Includes single family homes, duplexes and triplexes.
- viii. **Stormwater Charge**: A charge authorized by Chapter 510 of Minneapolis Code of Ordinance, Minnesota Statutes 2004, Section 444.075, and other applicable law, and further as set forth in resolution or ordinance heretofore or hereafter adopted or hereafter amended by the City Council, which is established to pay operation and maintenance, costs of capital improvements, debt service associated with the stormwater management system and other costs included in the operating budget.
- ix. **Undisturbed property**: Real property that has not been altered from its natural condition in a manner that disturbed or altered the topography or soils on the property to the degree that the entrance of water into the soil matrix is prevented or retarded.
- x. **Vacant land**: Real property upon which there is no structure, as shown in the records of the City Assessor's Office, which is not designed for or regularly used for commercial residential purposes, and which is not used in connection with another piece of property. Vacant land includes undisturbed property and land with no building used as a community garden.

Appendix – A: Stormwater Account Review Calculation Examples

The following examples illustrate the calculation procedures that would be applied in the assessment of monthly stormwater charges, if a stormwater charge account review is approved for a parcel. The calculations are based on Fiscal Year 2023 monthly ESU Rate of \$14.45 per ESU.

A.1 Incorrect ESU

The following example is based on a single-family residential parcel with 1.25 ESUs that requested account review of its stormwater ESUs.

- i. Original ESUs estimated for the parcel: 1.25 ESUs
- ii. Original monthly stormwater charge: $\$14.45 \times 1.25 \text{ ESUs} = \18.06
- iii. Revised ESUs for the parcel based on Account Review: 1.00 ESUs
- iv. Revised monthly stormwater charge: $\$14.45 \times 1.00 \text{ ESUs} = \14.45

A.2 Incorrect Impervious Area

The following example is based on a commercial parcel with 10,000 square feet lot size that requested an account review of its impervious area.

- i. Original Impervious Area for the parcel: 10,000 square feet
- ii. Original ESUs for the parcel: $10,000 \text{ square feet} \div 1,530 \text{ square feet} = 6.54 \text{ ESUs}$
- iii. Original monthly stormwater charge: $\$14.45 \times 6.54 \text{ ESUs} = \94.50
- iv. Revised Estimated Impervious Area for the parcel based on Account Review: 7,500 square feet
- v. Revised ESUs for the parcel: $7,500 \text{ square feet} \div 1,530 \text{ square feet} = 4.90 \text{ ESUs}$
- vi. Revised monthly stormwater charge: $\$14.45 \times 4.9 \text{ ESUs} = \70.81