



City of Minneapolis
Single-family Residential
Stormwater Charge Credits
Applicant Guide

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Contents

1.0 General Information	3
1.1 Overview	3
1.2 Stormwater Charge	3
2.0 Residential Credits	4
2.1 Purpose	4
2.2 Objective	4
2.3 Types of Residential Credits	4
2.3.1 Legacy Residential Credits Program (Pre-2022)	4
2.3.2 Residential Credits Program (Effective January 1, 2022)	4
2.4 Submittal Requirements	5
2.4.1 Credit Applications	5
2.5 Administrative Procedures	5
2.5.1 Residential Credits Application	6
2.5.2 Application Fee	6
2.5.3 Recertification of Residential Credits	6
2.5.4 Effective Date of Residential Credits	6
2.5.5 Stormwater Charge Payment	6
2.5.6 Supporting Documentation Costs	6
2.5.7 Burden of Proof	6
2.5.8 Right-of-Entry	6
2.5.9 Residential Credits Decision	7
2.5.10 Residential Credits Appeal	7
2.5.11 Termination of Residential Credits	7
3.1 Glossary of Terms	8
3.2 List of Acronyms	9
Appendix A - Residential Credits Calculation Examples	10
A.1 Residential Credit Program (Effective January 1, 2022)	10

1.0 General Information

1.1 Overview

The City of Minneapolis (City) Public Works-Surface Water and Sewers (PW-SWS) Division is responsible for stormwater management. The City’s stormwater management program aims to manage both the quantity and quality of stormwater runoff within the City and its local surface waters recognizing them as important resources.

Note: All properties other than single-family homes, duplexes and triplexes should refer to the *Commercial Stormwater Charge Credits Applicant Guide to apply for Commercial Credits.*

This Single-family Residential Stormwater Charge Credits (Residential Credits) Applicant Guide provides a very brief overview of the City’s stormwater charge, details on the Residential Credits program that is applicable to individual single-family homes, duplexes and triplexes, and the associated administrative requirements.

1.2 Stormwater Charge

Minnesota 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’s stormwater system’s operations and maintenance and capital improvement.

The stormwater charge is determined based on the Equivalent Stormwater Units (ESUs) determined for a property and the prevailing ESU rate. Each Equivalent Stormwater Unit (ESU) is defined as 1,530 square feet of impervious area on a property. The ESU and ESU rate are established by ordinance or resolution of the City Council and may be amended by the City Council. The ESU rate is reviewed annually and adjusted accordingly through City Council.

For the properties in the Single-family Residential Developed Property class, the impervious area is obtained either based on actual impervious area on the property (or) estimated based on the property’s lot size and land use or impervious area footprint square footage as available from the County Assessor’s office.

Single-family residential developed properties are assigned to one (1) of three (3) single-family residential customer classes based on impervious area and are charged based on the ESUs designated for the class, as defined in Table 1.

Table 1: Single-family Residential Developed Property ESUs

Class	Impervious Area (Square Feet)	ESUs Charged
High	>1,578	1.25 ESU
Medium	1,485 to 1,578	1 ESU
Low	<1,485	.75 ESU

2.0 Residential Credits

2.1 Purpose

The purpose of the Residential Credits Program is to enable property owners to seek reduction in stormwater charges if approved stormwater management practices have been implemented onsite to reduce or treat stormwater runoff. The City's revised Residential Credits Program is effective January 1, 2022.

2.2 Objective

The key objectives of the Residential Credits program are as follows:

- i. Aid the City in its efforts with stormwater quality and quantity management to protect the water quality in its receiving waters and mitigate impacts of runoff.
- ii. Support the City's NPDES and MS4 permit compliance obligations.
- iii. Afford charge reduction opportunity for properties that operate and maintain approved stormwater management practices to reduce the impact on the City's stormwater system and services.

2.3 Types of Residential Credits

The Residential Credits are only applicable to Single-family Residential Developed Properties, which encompass individual single-family homes, duplexes, and triplexes as defined in Section 3.0.

The types of Residential Credits are as follows:

2.3.1 Legacy Residential Credits Program (Pre-2022)

- i. Existing credit holders who were awarded Residential Credits prior to January 1, 2022, may retain previously approved and current credit award of up to the 50% credit on the monthly stormwater charge.
- ii. The amount of residential credit is based on the impervious area on the parcel treated by the stormwater management practices.
- iii. Properties are no longer eligible for legacy residential credits if the ownership changes or the property fails to meet program requirements. Properties should apply under the current program.

2.3.2 Revised Residential Credits Program (Effective January 1, 2022)

Properties that do not have any residential credits as of January 1, 2022 and seek credits will be considered under the City's current Residential Credits Program described in this document. Under the City's Residential Credits Program, the following types of residential credits are offered:

- i. **Residential Credits:** Residential credits of 35% is available to properties that implement stormwater management practices to effectively control pollutants in the runoff and to enhance water quality.

- ii. **Equity Credit:** Properties that receive residential credits, if located within a Green Zone, are eligible for an additional 10% credit. The City’s Office of Sustainability maintains a website showing the location of the Green Zones.

2.4 Submittal Requirements

This section presents the application requirements including the supporting documentation that properties must submit to request residential credits.

2.4.1 Credit Applications

- **Supporting Documentation Requirements:** The owner or their designee must provide the following supporting documentation:
 - i. Basic information such as parcel identification number (PIN), utility account number, owner name, site contact, and parcel location.
 - ii. Documentation of the stormwater management practice implementation with a photograph or video of the constructed practice.
 - a. A map detailing the impervious area, stormwater BMPs installed on the property and the drainage of the property reflecting where all runoff goes (both to the BMP and elsewhere).
 - The stormwater management practices could include rain gardens, pervious pavers. Please note, rain barrels do not qualify for residential credits.
- **Salt Stewardship Pledge:** A Salt Stewardship Pledge (Pledge for managing winter salt application) is required for all stormwater charge credit applications. The pledge is available on the City’s website at [Salt Mini-Course - City of Minneapolis \(minneapolismn.gov\)](https://www.minneapolis.gov/salt-mini-course).
- **Certification of Information:** By submitting a credit application, the property owner certifies that all information included as part of the application is correct; and that they acknowledge that the City will determine credits based on the information provided; and affirms that the City may access the property as necessary to inspect the facility.
- **Application Review:** City will initiate the review of the credits application when the City deems the credits application complete per the City’s credit program documentation submission requirements. The City retains the right to conduct a site inspection during and/or after the review process.
- **Properties Under Construction or Non-functional:** Stormwater charge credits will not be provided for stormwater management practices that are under construction and/or are not fully functional and/or are not properly maintained.

2.5 Administrative Procedures

This section presents the administrative procedures that govern the City’s Residential Credits Program.

2.5.1 Residential Credits Application

All single-family residential developed properties, as defined in Section 3.0 of this document, are eligible to apply for residential credits. To request residential credits, the property owner or the designee must submit a complete Residential Credits application along with all the requisite supporting documentation. [Residential Stormwater Credits - City of Minneapolis \(minneapolismn.gov\)](https://www.minneapolis.gov/residential-credits).

2.5.2 Application Fee

There is no application fee for applying for residential credits.

2.5.3 Recertification of Residential Credits

There is no recertification requirement for residential credits.

2.5.4 Effective Date of Residential Credits

Residential credits will be applicable only from the month in which a fully completed Residential Credits application is received. There will be no retroactive stormwater charge adjustments for bills issued prior to the month of receipt of the fully completed Residential Credits application.

2.5.5 Stormwater Charge Payment

A pending residential credits request application shall not constitute a valid reason for non-payment of the currently assessed stormwater charge. All stormwater charges that are outstanding at the time of submission of the Residential Credits application must be paid in full prior to the City commencing the review.

2.5.6 Supporting Documentation Costs

The City will not reimburse any costs that the applicant incurs in the preparation of the required supporting documentation and/or the Residential Credit application package.

2.5.7 Burden of Proof

The burden of proof shall be on the applicant to demonstrate the validity of the Residential Credits application and all supporting documentation consistent with the City's application and supporting documentation requirements.

2.5.8 Right-of-Entry

Following submission of a Residential Credits application, the City shall have an automatic Right-of-Entry into the parcel, for the sole purpose of inspecting the approved stormwater management practices in the parcel for which the residential credit is requested. The City will attempt to notify the applicant but will not require acknowledgement to enter. Applicant and property owner are responsible for keeping contact information

current with the City's stormwater credits program.

2.5.9 Residential Credits Decision

The City will review and send a written Decision Letter to the applicant (property owners or the designee) within 60 days of the receipt of the fully completed credits application. The City will notify the applicant if additional review time is necessary.

2.5.10 Residential Credits Appeal

On receipt of the City's decision on the residential credits, the applicant may file an appeal, should the applicant disagree with the City's decision. The applicant must file the appeal with the director of the Department of Public Works Surface Water and Sewers. The applicant can file an appeal if the applicant disagrees with:

- i. Whether their property is entitled to a residential credit
- ii. Whether their property is granted continuation of a residential credit
- iii. Amount of residential credit

The property owner/applicant 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.

2.5.11 Termination of Residential Credits

The City may terminate a property's residential credits for any of the following reasons:

- i. Property is sold or transfers ownership.
- ii. Facility no longer meets the program requirements.
- iii. Failure to remain current (utility account is not past due for 60 days or more) with the utility account receiving the credit.
- iv. Facility is removed or modified.
- v. Property is modified.
- vi. The stormwater management practices on the property are not maintained.
- vii. City inspection results in a determination that facility is not functioning per design.

If a previously approved residential credits is removed, the property is eligible to reapply for residential credits under the most current Residential Credits Program standards that is in effect at the time of reapplication.

3.0 Terms and Acronyms

This section presents a list of terms and acronyms used in this guide.

3.1 Glossary of Terms

- i. **Applicant:** An owner of a single-family residential property or commercial property in the City of Minneapolis seeking stormwater charge credits.
- ii. **Commercial property:** For the purpose of this Applicant Guide, it includes all properties except single family homes, duplexes and triplexes.
- iii. **Equivalent Stormwater Unit (ESU):** A unit of measure that is equal to the average impervious area of single-family residential developed property that falls within the medium class, with a single-family detached dwelling unit located thereon and within the city's limits, as established by City Council resolution or ordinance, as provided for herein.
- iv. **Equivalent Stormwater Unit Rate (ESU Rate):** The storm sewer charge imposed on single-family residential developed property within the medium class, as established by City Council resolution or ordinance, as provided herein.
- v. **Green Zone** is a location-based policy initiative aimed at improving health and supporting economic development using environmentally conscious efforts in communities that face the cumulative effects of environmental pollution, as well as social, political and economic vulnerability. Please visit [Green Zones Initiative - City of Minneapolis \(minneapolismn.gov\)](https://www.minneapolis.gov/green-zones) for further information.
- vi. **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 and athletic courts.
- vii. **Other residential developed property:** For the purposes of commercial credits, developed property upon which multi-family dwellings with four (4) or more units are located.
- viii. **Runoff Coefficients:** Numbers approved by the City Council that are used to estimate the impervious area for each non-single family classified property. A list of the Runoff Coefficients used for the city is found in Table 2 in Appendix B.
- ix. **Single-family residential developed property:** For the purposes of Residential Credits, Single-family residential developed property refers to developed property upon which single family homes, duplexes and triplexes are located.
- x. **Stormwater Charge:** A charge authorized by Chapter 510 of MCO, 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.

- xi. **Stormwater Charge Credits:** A system of credits, which may reduce a property’s stormwater charge that is imposed on developed or undeveloped property.
- xii. **Surface Waters:** Receiving water bodies including lakes, rivers, creeks, and wetlands.
- xiii. **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.
- xiv. **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.
- xv. **Water Quality:** Stormwater runoff characteristics resulting from a land disturbing activity that relate to the chemical, physical, biological or radiological integrity of water.
- xvi. **Water Quantity:** Stormwater runoff characteristics that relate to the rate and volume of the stormwater discharged resulting from land disturbing activities.

3.2 List of Acronyms

- BMP Best Management Practices
- SMP Salt Management Plan
- ESU Equivalent Stormwater Unit

Appendix A - Residential Credits Calculation Example

The following examples illustrate the calculation procedures that would be applied in the assessment of monthly stormwater charges if stormwater charge credits are approved for a parcel. The examples are based on a residential parcel with an estimated one (1) ESU and a 2023 monthly ESU Rate of \$14.45 per ESU.

A.1 Residential Credit Program (Effective January 1, 2022)

The following example shows the calculation of billable monthly stormwater charge for a parcel that is approved to receive Residential Credit under the revised credit program.

- i. Monthly stormwater charge (*without residential credits*) \$14.45
- ii. Approved Residential Credit: 35%
- iii. Monthly Residential Credit: $35\% \times \$14.45 = \5.06
- iv. Monthly stormwater Charge (*after applying residential credits*): $\$14.45 - \$5.06 = \$9.39$