City of Annapolis

Stormwater Fee Structure Discussion

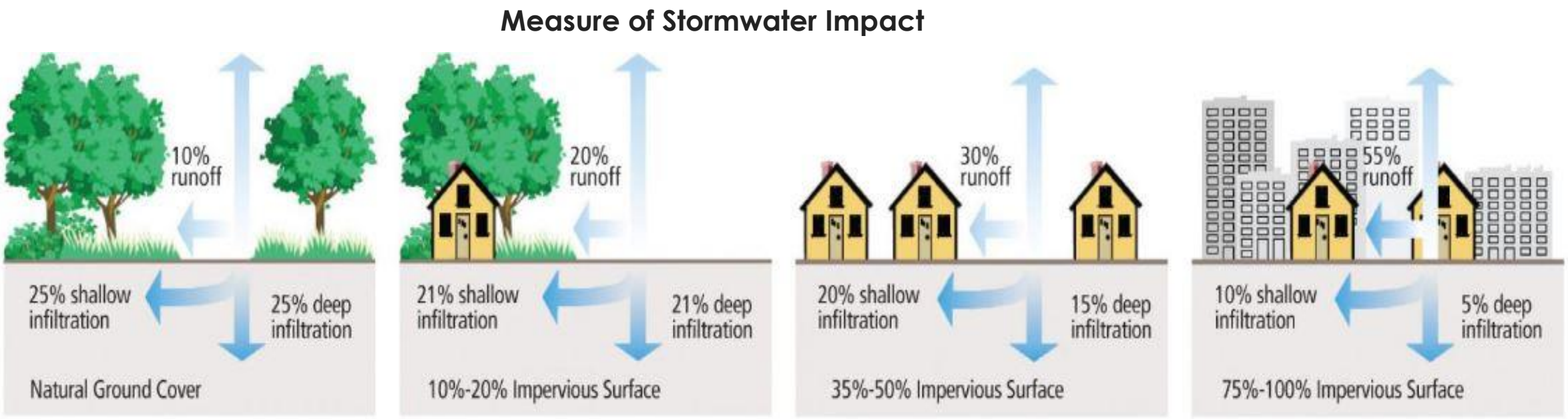
2/19/2025

Stantec

Agenda

1) Evolution of Stormwater Fee Structure
2) Modifications
3) Impacts and Considerations

Stormwater Fee Based on Impervious Area



Source: Lowimpactdevelopment

Increasing Impervious Surface = Increasing Runoff Generated

Stormwater fees typically based on impervious area as it reflects potential use of and contribution to the system

Stormwater Fee Structure (2020)

- All Residential properties treated same (including multi-family units)

Residential	Equivalent Residential Units (ERUs)	Stormwater Fee (FY 20)
Single Family	1.0	$15.30
Multi-Family	1.0	$15.30

- Non-Residential properties billed based on impervious area in three tiers

Non-Residential (Impervious Area)	Equivalent Residential Units (ERUs)	Stormwater Fee (FY20)
Tier 1: 0 - 5,000 sq. ft.	4.0	$61.20
Tier 2: 5,001 - 10,000 sq. ft.	8.0	$122.40
Over 10,000 sq. ft	13.0	$198.90

Stormwater Fee Structure (Current)

- Fee structure modified for FY 2021
- Residential broken into single family and multi-family, recognizing impervious area per unit differs significantly compared to single family home.

Residential	Equivalent Residential Units (ERUs)	Stormwater Fee (FY 25)
Single Family	1.0	$30.83
Multi-Family	0.5	$15.42

- Non-residential tiers updated to align with ERU basis and additional tier

Non-Residential (Impervious Area)	Equivalent Residential Units (ERUs)	Stormwater Fee (FY25)
Tier 1: 0 - 5,000 sq. ft.	1.0	$30.83
Tier 2: 5,001 - 10,000 sq. ft.	5.0	$152.55
Tier 3: 10,001 - 80,000 sq. ft.	21.0	$644.29
Over 80,000 sq. ft	65.0	$1,992.92

Recommended Structure

- Maintain current structure for residential properties as impervious area is relatively homogeneous

Residential	Equivalent Residential Units (ERUs)	Stormwater Fee (FY 25)
Single Family	1.0	$30.83
Multi-Family	0.5	$15.42

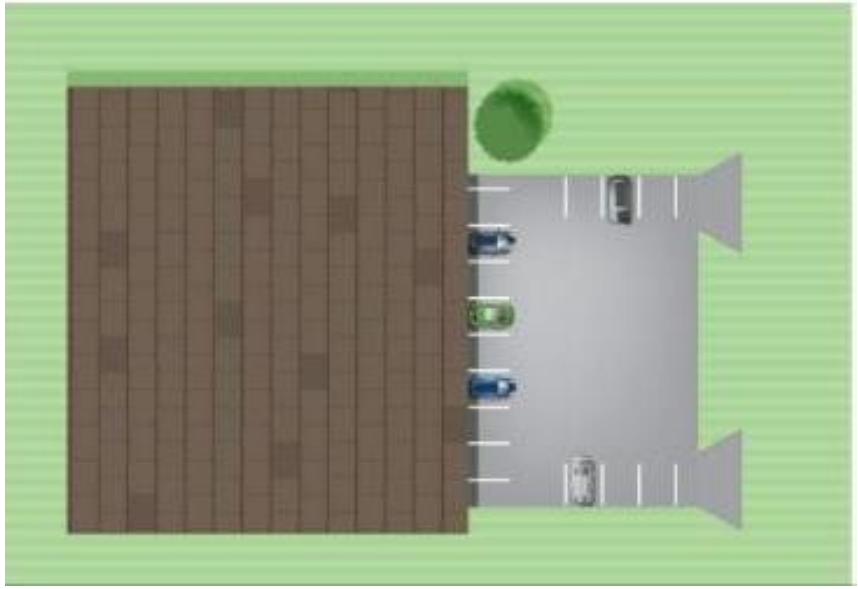
- Transition non-residential to an ERU basis using impervious area (1 ERU equals 2,500 sq. ft.)

Non-Residential	Based on Number of ERUs (Measured Impervious Area)	Stormwater Fee (FY25)
Non-Residential	1.0	$30.83 per ERU

Note: financial plan for stormwater enterprise fund is currently under evaluation and stormwater fee increase may be recommended for FY2026

Non-Residential Fee Structure

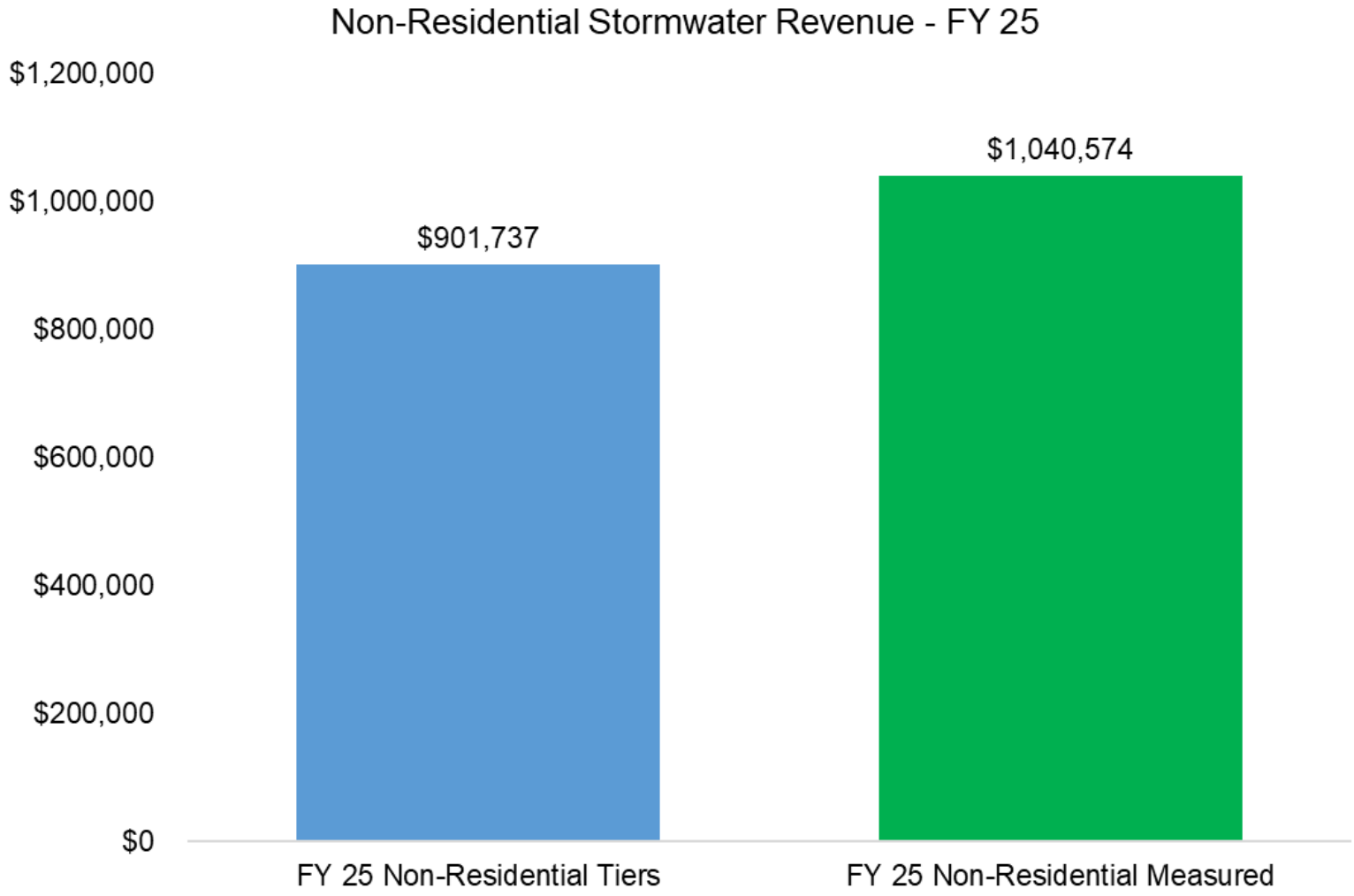
- Property owners with more impervious cover would pay more to fund the stormwater system (not limited by tiers)
- Fee based on measured impervious area as multiples of ERUs



Impervious Cover

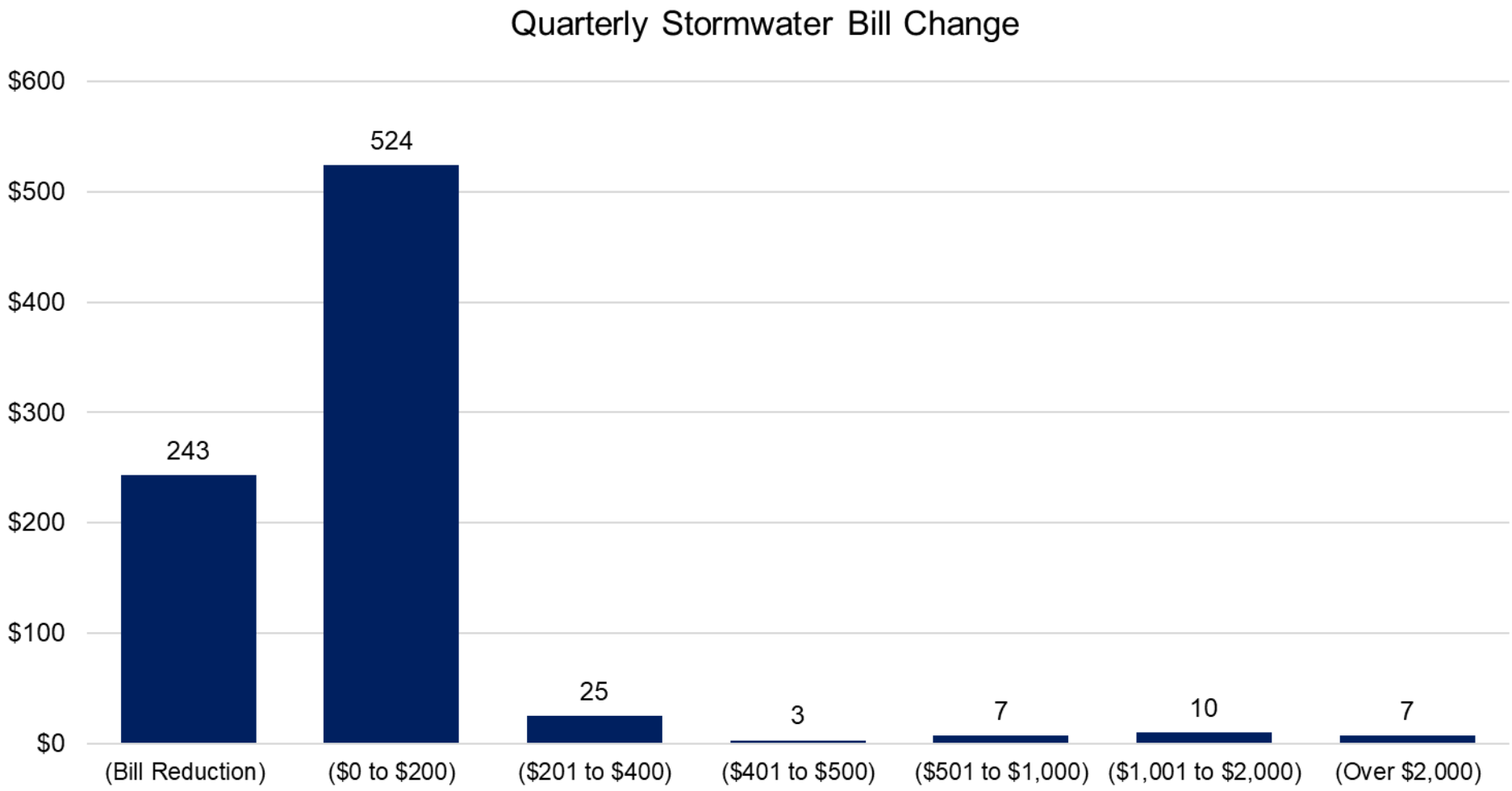
Roof:	20,000 sq. ft.
Parking Lot:	5,000 sq. ft.
Total:	**25,000 sq. ft. = 10 ERUs**

Fee Structure Change Impacts



- Estimate approximately $100k additional revenue as result of fee structure change

Distribution of Impacts



Considerations

- Transition to measured ERU basis for non-residential properties would improve the alignment between use of the system and stormwater bill
- Bill impacts would be minimal for the wide majority of non-residential parcels
- A few properties with significant impervious area (well above 80,000 square feet) would experience large bill increases.
- If the structure is adopted, proactive outreach to impacted properties should be conducted, and a mechanism to address questions and appeals should be put in place.

Questions / Discussion