



Proposed Green Stormwater Infrastructure Tax Abatement Program TTI Update

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Today...

- What is GSI?
- Recap of GSI Incentives for Green Development
- Proposed Ordinance Changes: GSI & LEED
- Next Steps

What is GSI?

A way to regulate water quantity and improve water quality



GSI helps minimize the downstream impacts of development and mimics how rainfall behaves when it falls onto an undeveloped, green landscape.

Net Public Benefits

- Improves stormwater management
- Reduces burden on public drainage system
- Reduces pollutant loads to local waterways
 - Reduces heat island effect
 - Enhances wildlife habitat
- Improves neighborhood aesthetics
 - Increases resilience
- Increases property tax revenue

Development Benefits

- Reduces stormwater runoff rate and detention volume required by Chapter 9 of the IDM. See IDM Chapter 9 for additional details.
- Achieves city-imposed stormwater pollution control requirements
- Reduces stormwater management costs
 - Reduces site development costs
 - Enhances site aesthetics
 - Increases lease-up or sales rates
 - Increases retail establishment sales
 - Increases property value
- Achieves open space requirements

GSI Examples within Houston City Limits



Planter Box -
Cottage Grove



Rain Gardens -
Cottage Grove



Rain water harvesting- HFD
Station 90



Bioswale -
Bagby St.



Green Roofs -
Carnegie High School



Constructed Wetlands
- Brays Bayou



**HOUSTON
INCENTIVES FOR
GREEN DEVELOPMENT**

Released in August of 2019

Goal: Encourage private sector
to incorporate GSI within
development

Integrated GSI Development Rules
Award and Recognition Program
Increased Permitting Process Certainty and Speed
Property Tax Abatements

<http://www.houstontx.gov/igd/documents/igd-report-final.pdf>

Summary of Changes

Incentive	Summary	Status
Integrated GSI Development Rules	Enact an integrated set of development rules that harmonize landscaping, parking, open space, drainage and detention design, and stormwater quality	Redevelopment and Drainage Task Force has been reconvened in which this topic will be considered by Stakeholders.
Award and Recognition Program	Offer recognition and awards to projects that highlight GSI	Draft program has been developed. Currently, program is being reviewed by interdepartmental GSI working group.
Increased Permitting Process Certainty and Speed	Create a more consistent and faster plan and review process for projects that include GSI	Feasibility of pilot program is being evaluated by HPW.
Proposed GSI Tax Abatement Program	Develop a tax abatement program to include GSI in exchange for reduced taxes	Proposed ordinance changes in development to be implemented by December 2020.

GSI Tax Abatement (a new proposed program)

Concept

A developer/owner invests in GSI infrastructure in exchange for a City property tax abatement for a certain period of time.

The City would agree to “a reduce public good arising from tax revenue in exchange for an increase in public good arising from the use of GSI and incremental future increases in tax revenue resulting from enhanced property value.”

Proposed Eligible Infrastructure

- Bioretention systems or raingardens;
- Green roofs or living roofs;
- Permeable pavement or engineered pervious surfaces;
- Rainwater harvesting methods such as cisterns, rain barrels, and other storage tanks that capture and store stormwater runoff for non-potable water uses such as irrigation, toilet flushing, or industrial processes;
- Soil amendments;
- Urban forestry and native ecosystem restoration;
- Vegetated filter strips or bioswales; and
- Other strategies

GSI General Policy Considerations

Project Thresholds

- \$3 M total Investment required
- \$250,000 GSI Investment required
*maintenance costs may be eligible

Cap

- The tax abatement is not to exceed the value of the total costs of green stormwater infrastructure investment “but 100% reimbursement is not guaranteed.”

Timeframe

- Agreement shall be effective up to 10 years

Application

- Stand-alone abatement of part or a standard economic development tax abatement
- Written benefits analysis

Minimum Requirements

- Be expected to mitigate risk of flooding, reduce heat island effect, improve water quality, encourage water conservation, or restore native ecosystems through green stormwater infrastructure.
- Be designed in accordance with, and expected to remain in compliance with (INCLUDING MAINTENANCE), design manual requirements during the abatement period.
- Be expected to make “features” accessible for training opportunities

LEED Tax Abatement (a revised program)

Leadership in Energy and Environmental Design is a green building rating system developed by the USGBC that provides a framework and standard for green building design, construction, operations and performance.

Concept

A partial tax abatement may be granted for the increase in value of a commercial facility for which the owner has obtained LEED Certification.

No applications have been submitted to date

LEED Policy Considerations (a revised program)

Updated certification levels

- Silver – 5%
- Gold – 10%
- Platinum – 15%
- Removed Basic level

Timeframe

- Agreement shall be effective up to 10 years.

Project Threshold

- \$ 3 Million

Application

- Applies to new development only.
- Tax abatement may be a stand-alone or part of a standard economic development tax abatement.

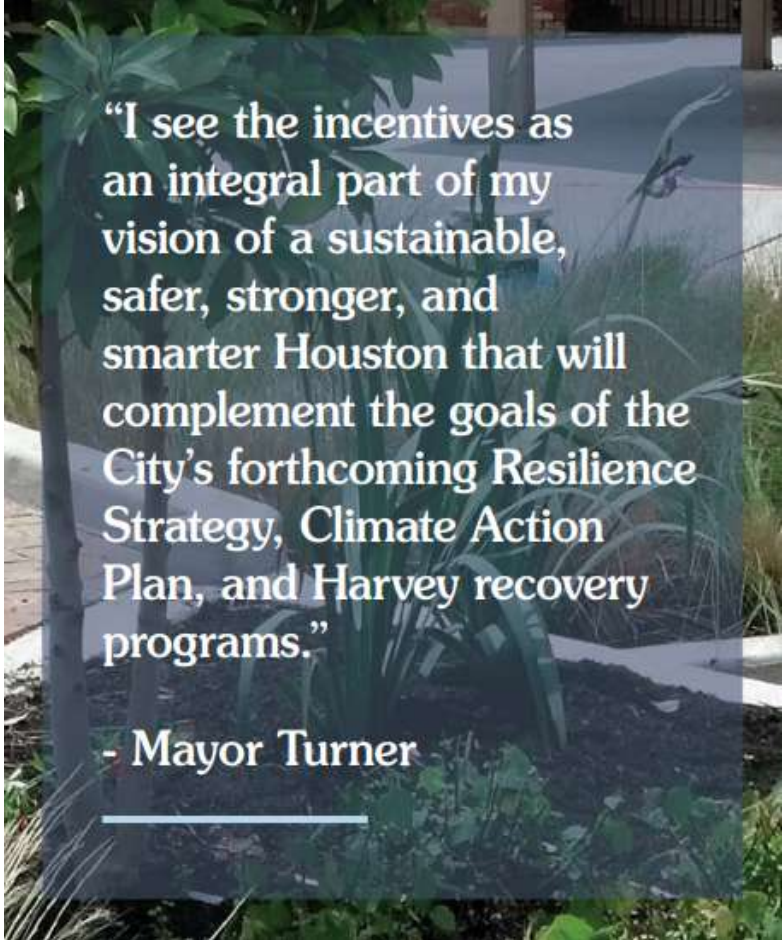
Additional Elements

- Stakeholder engagement
 - Obtained input from GSI developer participants
 - Obtained input from Conservation and Environmental groups
- Application & Evaluation Matrix currently in development
- Fee Study currently in development

Next Steps

Action	Estimated Date
Progress Update to TTI Committee	September 2020
Finalize Changes to Chapter 44. Article IV Ordinance, Fee study, Application & Evaluation Matrix	September 2020
Release document for Public Comment	October 2020
Economic Development Committee & TTI Committee Presentation (updated package/deep dive)	TBD – proposed joint meeting
Public Hearing	November 2020
Council Action	Target: November 2020

Questions?



“I see the incentives as an integral part of my vision of a sustainable, safer, stronger, and smarter Houston that will complement the goals of the City’s forthcoming Resilience Strategy, Climate Action Plan, and Harvey recovery programs.”

- Mayor Turner