

Minnehaha Creek Watershed District

2015 RECOMMENDED PROJECT/PROGRAM WORK PLAN

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<u>Project</u>	Cost Share/LID Programs (3130 and 3121)
<u>Description</u>	In 2011, the Minnehaha Creek Watershed District (MCWD) began implementing the Cost Share program to help meet its clean water and public participation goals. The District provides financial assistance to government units, private property owners, non-profits, academic institutions and other interested parties for projects that expand the knowledge base of water resources management, provide educational opportunities through demonstrative projects within the watershed, improve stormwater management, reduce pollution, and enhance natural resources and green infrastructure.
<u>Location</u>	District-wide and targeted areas
<u>Budget</u>	\$332,000.00 (Cost Share) and \$500,000.00 (LID)
<u>Program Details</u>	<p>Background:</p> <p>The Cost Share Program was formally established in October 2010 through an amendment to the District's 2007 Comprehensive Plan. The program had originated in the District's Permitting Department and focused on incentivizing stormwater BMPs on single family home properties (not regulated under the stormwater rule) and conversion of riprap to biological or bioengineered shorelines. In recognition of the educational value of the program, it was moved to the Education Department in 2012, and implemented by the Cost Share Grant Administrator in collaboration with other District departments. The program relies on reaching property owners who are willing to invest in projects that simultaneously accomplish both their personal goals and meet the water quality standards of the District according to the program criteria.</p> <p>The Low Impact Development (LID) grant program also originated in 2010, and was designed to incentivize implementation of water quality improvements where permit applicants were able to exceed rule requirements. This helped target priority areas and provide the District with opportunities to achieve load reduction goals as well as educate the public about water quality and stormwater runoff. Leveraging such opportunities was dependent on the ability of the District to proactively work with cities and property owners to identify opportunities and investigate alternatives during preliminary planning stages of the overall redevelopment. Since the original implementation of the program, the District has undergone an extensive rule revision process that has led to more protective rules that are generating improvements rather than simply maintaining the existing levels of water quality. Following the revision to District rules, program efficacy was reduced due to the limited availability of cost-beneficial opportunities to generate water quality/quantity improvements above those required by District rule.</p>

In July 2014, the MCWD Board of Managers discussed the purpose and scope of both the Cost Share and the Low Impact Development Grant Program funds. Staff explained that these programs have received a wide variety of applications over the years both in terms of the type of applicants (e.g. individual resident, municipalities, developers, churches, etc.) and the project benefits (e.g. water quality, education, demonstration, etc.). While all of these projects have value to the District, it can be difficult to compare such distinct projects against one another and determine a reasonable funding amount. Staff's recommendation was that the District creates different categories and criteria for evaluating the more education-focused vs. water-quality focused projects. The Board supported this direction.

In addition to providing education and water quality benefits, the grant programs play a significant role in carrying out the policy direction set by the Board in its policy framework, *In Pursuit of a Balanced Urban Ecology*, by promoting and facilitating project partnerships, allowing the District to remain responsive while focused in priority geographies, and the ability to act on opportunities created through redevelopment. Using the grant programs in this way will support the "two-track" approach envisioned for the District's 2017 Comprehensive Water Resources Management Plan. While the District will cultivate a sustained focus and develop large-scale, high impact projects in priority areas, the Cost Share program will allow the District to remain responsive District wide, fostering opportunities for cost-effective partnerships.

Proposed Structure for 2015

Staff proposes merging the two funds (Cost Share-3130 and LID-fund 3121) to better align District finances to opportunities recognized by the Board as providing the greatest benefit. The funds will be administered by the Cost Share Program to provide organization and structure to the distribution of funds, having one ongoing balance and projection of what potential funds could be spent on potential opportunities. All District staff can propose the use of funds as opportunities and partnerships arise which will foster inter-departmental communication and staff collaboration on projects.

Projects will be routed through the Cost Share Grant Administrator, who will assist in identifying a review team to evaluate potential opportunities and create funding recommendations. Ultimately, the staff member who identifies the opportunity can take the lead on the project, and Cost Share staff will continue to take the lead on historically funded Cost Share Projects.

Consistent with the July 2014 discussion, staff recommends creating three main categories that will be used to review projects:

- Homeowner Projects
- Community Engagement Projects
- Green Infrastructure Projects

Each category will have its own evaluation criteria to allow staff to assess projects based on their primary focus, comparative to similar projects for cost benefit and value. These categories will serve as the basis of evaluation criteria for opportunities that have been applied for through the application process. In doing so, staff will have a more defined process to make recommendations that result in projects that will achieve the greatest benefit. There will be a preliminary dedication of funds every year for each category, however, funds may be reallocated as opportunities arise.

There will also be opportunities that, through this framework, demonstrate qualities of all three of these categories. By creating partnerships and developing opportunities far enough in advance, we can create projects that have a more holistic approach, incorporating stormwater management through new large scale infrastructure, taking into account public benefits through educational signage, and establishing community engagement through resident support in the neighborhood to invest in stormwater management on their own properties.

This approach is exemplified in a current partnership with the District and the City of Edina. Staff has collaborated with the city on their living streets initiative in the Arden Park neighborhood. This project includes construction of cost beneficial stormwater management facilities with their new road reconstruction. By also looking at opportunities in places of public recreation, like Arden Park, to demonstrate water resource management and educate the neighborhood through educational signage on these initiatives. They are also incorporating Master Water Stewards in the community outreach, building community capacity through education and awareness, as well as empowering individual residents to invest in stormwater BMPs on their own properties.

Cost Share Program Categories:

Homeowner Projects

The Homeowner category is an opportunity to educate the general public on the benefits of small scale stormwater management. Through the use of demonstrational construction projects, staff aims to develop educational awareness and gradual behavior change. While not the main focus of the category, these projects have the potential to improve water quality as a supplemental benefit to the educational criteria. Staff recommends keeping the base 50% cost share funding for a homeowner willing to install a stormwater best management practice on their property. Additional funding may be awarded for education /outreach components.

Staff proposes the following changes to the homeowner program:

- Require an entire site design showing where all stormwater runoff on the property drains. This will educate homeowners early in the process on what benefits the District sees in these projects and how to design and implement the most cost effective project on their property.
- Incentivize projects beyond the 50% funding cap by adding to the % of funding based on the visibility of the project, subwatershed and the amount of water quality treatment.
- Impose an annual deadline and review process. This will reduce staff review time, streamline funding agreement administration, and provide the opportunity to competitively review projects for maximum benefit to natural resources.

Homeowner Projects Guidelines

1. Eligible Entities: Residential property owners
2. Eligible Costs: Design, materials, labor (homeowner labor reimbursed at a rate of \$12/hour on residential projects only)
3. Regulatory Eligibility: Only projects that are going above and beyond District rules will qualify for funding.

4. Eligible Practices:
 - Any Stormwater Improvements
 - Shoreline/Streambank Stabilization using biological or bioengineering
5. Annual Deadline for Homeowner projects (Master Water Steward Projects are exempt from this deadline)
6. Cost Share Percentage: 50% or more depending on the strength of the project
7. Cost Share Maximum:
 - Stormwater BMP: \$2,500*
 - Shoreline/Streambank Stabilization: \$5,000*
8. Approval Process:
 - Requests for additional funding will be considered on a case-by-case basis and will require a recommendation by the Citizen’s Advisory Committee (CAC), and MCWD Board of Managers approval when requested funding is over \$5,000.
 - Homeowner projects requesting funding between \$1,000 and \$5,000 will only need a recommendation by the CAC.
 - Any projects requesting funding in an amount less than \$1,000 can be approved by the District Administrator.

*Additional funding may be available based on education/outreach components

Community Engagement Projects

This category will fund stormwater BMP projects with a primary focus on educational value. This category educates the general public on the benefits of stormwater management through constructing demonstrational projects. While these projects may also achieve improved water quality and reductions in volume, these benefits are secondary to education and awareness. Potential projects will be evaluated on category specific criteria, and other potential benefits, according to the following factors:

- This category of projects will have evaluation and reporting requirements to help measure the impact of the project’s education and outreach components.
- These projects will consider the water quality benefits of the project, but will focus primarily on the opportunities for watershed management awareness, education, innovation and community engagement. By building a network of people in the community that understand the issue, care about it, and are empowered to take action, this additional community capacity can be used in the future to leverage larger scale opportunities to protect our natural resources.

Community Engagement Projects Guidelines

1. Eligible Entities: Non-Profit Organizations, Institutions (private and public), Community Groups, Public Entities or other
2. Eligible Costs: Design, materials, labor
3. Regulatory Eligibility: Only projects that are going above and beyond District rules will qualify for funding.
4. Eligible Practices: Any Stormwater improvement projects or watershed management practices

5. Funding is based primarily on demonstration value (awareness, education and partnerships) with a secondary focus on water quality improvement
6. Educational Programming Requirements- Signage, Reporting, Outreach
7. Cost Share Percentage: dependent on the strength of the project and availability of funds
8. Approval Process:
 - Any funding above \$5,000 will need a recommendation by the CAC and Board Approval
 - Projects that qualify for funding over \$50,000 will be evaluated for project phasing, and reimbursement funding over a period of time. The District will look at ways to help to create a financing strategy, and a funding plan that would fit the needs of the grant recipient as well as allow for District financial planning for disbursement of funds yearly. These projects would also require a public hearing per State Statute Section 103B.251 before funding approval, in accordance with resolution 13-023.

Green Infrastructure Projects

This category will fund green infrastructure projects with a primary focus on improving the watershed, including but not limited to: volume reduction and removal of pollutants including phosphorus, chlorides and suspended solids. Projects in this category will also be reviewed with the potential for educational programming, but it will not be the focus or a requirement. Potential projects will be evaluated on category specific criteria, potential benefits according to the following factors:

- These projects are reviewed for their cost effectiveness and overall potential for improvements to the District’s water resources. Staff recommends evaluating these projects with a consistent scale for what cost beneficial water quality goals should be. This will compare potential projects to past projects funded through the LID Program for cost-benefit of the project in relation to pollutant removals and District priorities within the project area/subwatershed.
- Resources to develop Evaluation Criteria:
 - a. Wenck Pollutant Reduction Calculator- This calculator can quickly estimate the annual pollutant reductions from a proposed stormwater BMP based on BMP size, depth, impervious drainage to BMP, infiltration rate of soils and annual precipitation.
 - b. Cost Benefit Calculator (developed by Capital Region Watershed District). This calculator runs projects through a model that considers the drainage area and runoff type, BMP size and capacity, and potential ‘bonus’ for outreach to quantify the dollar value of these elements. While a project’s visibility and outreach potential will be considered, it is not the primary focus of the project.

Green Infrastructure Projects Guidelines

1. Eligible Entities: Non-Profit Organizations, Institutions (private and public), Community Groups, Public Entities, Developers, Commercial Properties or other
2. Eligible Costs: Design, materials, labor

3. Regulatory Eligibility: Only projects that are going above and beyond District rules will qualify for funding.
4. Eligible Practices: Any stormwater improvement project or watershed management practice
5. Funding will have a primary focus on water quality improvement
6. Cost Share Percentage: dependent on the strength of the project and available funds for the year.
7. Approval Process:
 - Any funding over \$5,000 will need a recommendation by the CAC and Board Approval
 - Projects that qualify for funding over \$50,000 will be evaluated for project phasing, and reimbursement funding over a period of time. The District will look at ways to help to create a financing strategy, and a funding plan that would fit the needs of the grant recipient as well as allow for District financial planning for disbursement of funds yearly. These projects would also require a public hearing per State Statute Section 103B.251 before funding approval, in accordance with resolution 13-023.

2015 Cost Share Program Activities

Data Collection

Although the cost share program has historically funded projects that are considered beneficial, there has been a lack of data collected on how well they help the District meet its program goals. In 2014-2015, cost share staff and a MN GreenCorps member will be inspecting cost share projects across the District and recording their performance. There will be follow-up with all past grant recipients and recommendations on how to maintain optimal performance with their stormwater BMP. This, along with collection of any monitoring and reporting done by the grant recipient can help quantify the success of the project.

Targeted Subwatershed Prioritization

In an effort to provide more quantifiable and impactful benefits to District resources, Cost Share staff will coordinate with the District's Planning, Education/Communications and Permitting departments to specifically target high priority areas to achieve District goals. Staff will prioritize projects based on their potential for stormwater improvements, connection with existing capital projects and potential to simultaneously achieve overarching District, city and community goals (incentivized through overall funding %). These opportunity based projects will involve coordination by the Cost Share Grant Administrator with not only other District Staff but also with city representatives, property owners, consultants and the District Engineer, CAC and Board of Managers.

Targeted Subwatershed Outreach

The implementation of targeted projects in high priority areas relies on long term coordination with potential partners and development of relationships. For example, the District's MN GreenCorps member is partnering with the Freshwater Society to recruit new Master Water Stewards within the Six Mile Creek subwatershed. This work, along with a targeted approach to partnering on cost share projects on residential, community and institutional scales can help increase awareness, foster community engagement. This

	<p>may result in possibly leveraging the future decisions for natural resource protection and land use planning in the area of focus and beyond.</p> <p>In an effort to remain responsive to needs District-wide, Cost Share Program staff also will work with lake and neighborhood associations across the District to increase their capacity to take advantage of District Cost Share programs. Staff workload in 2015 will focus on creating these partnerships and planning future projects.</p> <p>Staff will also refer partners, communities and applicants to other state and regional grant funds. This will help stretch District grant funds, as well as involving more partners and funds in the project, ultimately strengthening the proposal.</p>
<u>Outcomes</u>	<ol style="list-style-type: none"> 1. Provide citizen engagement and advocacy opportunities where citizens become participants in and advocates for stormwater management and clean water. Provide an avenue for community building surrounding water related issues. 2. Educate the public on actions that can be taken on an individual citizen scale to improve stormwater management, enhance natural resources and green infrastructure, expand the knowledge base of water resources management, and provide educational opportunities through demonstrative projects within the watershed. 3. Promote installations of stormwater BMPs, biological/bioengineered shoreline/streambank stabilization projects, and to reduce pollutant and volume loading to water resources. 4. Where appropriate, complement CIP program in achieving Planning department volume reduction and water quality goals. 5. Provide a flexible avenue to address project opportunities which may not be specifically identified through the Comprehensive plan or existing workplans.

Budget History

Budget/Levy History								
Year	Budget	Tax Revenue	Grants & Other	Total Revenue	Expenditures	Transfer (Out)	Transfer In	Carryover
2008	\$427,004	\$220,594	\$13,895	\$234,489	\$0	\$0	\$0	\$234,489
2009	\$427,004	\$8,598	\$527	\$9,125	(\$18,263)	\$0	\$0	\$225,351
2010	\$427,004	\$31,404	\$1,637	\$33,041	(\$4,710)	\$0	\$0	\$253,682
2011	\$380,286	\$0	\$0	\$0	(\$13,800)	\$0	\$380,286	\$620,168
2012	\$380,286	\$65,324	\$1,059	\$66,383	(\$113,403)	\$0	\$300,000	\$873,148
2013	\$680,786	\$0	\$118,604	\$118,604	(\$405,339)	\$0	\$47,000	\$633,413
2014	\$680,786	\$0	\$0	\$0	(\$239,778)*	\$60,000	\$500,000	\$893,635*
2015	\$832,000	\$0	\$0	\$0	(\$832,000)*	\$0	\$0	\$0*

*estimated amounts.

Recommended 2015 Budget and Levy

Budget: \$ 832,000
 Levy: \$ 0

Cost Share Program Detailed Budget:

<u>Budget</u>		
	<i>Planning and Policy Development</i>	
	Contracted Services	
	Survey/Data Collection	
	Engineering/Consulting	
	Equipment/Supplies	
	Meetings/Seminars	
	Maintenance Plan Dev.	\$1,000
	Legal	\$3,000
	Other/Miscellaneous	
	<i>sub-total</i>	\$4,000
	<i>Project/Program Implementation</i>	
	Training	\$1,000
	Contracted Services	\$60,000
	Project Management	
	Property or Easement Acquisition	
	Engineering	\$30,000
	Supplies/Equipment	
	Construction	
	Landscaping/restoration	
	Legal	\$20,000
	Meetings/Seminars	\$1,000
	Monitoring/Lab Analysis/Inventories	
	Other/Miscellaneous	
	Permit Research	
	Permit Acquisition	
	Operations/Maintenance	
	Grants/Awards/Loans Given	\$702,000
	<i>sub-total</i>	\$814,000
	<i>Communications-Education-Stakeholder Involvement</i>	
	Training	
	Supplies/Equipment	
	Meetings/Seminars	\$1,000
	Printing	\$10,000
	Publishing	
	Postage	\$2,000
	Dues/Subscriptions	
	Other/Miscellaneous	
	Computer Services	\$1,000
	Contracted Services	
	Engineering/Consulting	
	Legal	
	Construction	
	Teacher Stipend	
	Grants/Awards/Loans Given	
	<i>sub-total</i>	\$14,000
	<i>Total</i>	\$832,000