

## **BMP Incentives**

### **Overview:**

This information sheet addresses BMP Compliance Working Group discussion item #7 to seek funding for additional incentives to encourage BMP compliance, such as a robust subsidy program through reimbursements. It provides background data, analysis of options to address the topic, and advances recommendations from TRPA staff and the EIP Parcel Specific Working Group. The BMP Compliance Working Group is focused on advancing recommendations that guide TRPA's efforts and limited resources to the most effective stormwater management strategies in a manner that is consistent with the Regional Plan, local Area Plans and TMDL load reduction plans.<sup>1</sup>

TRPA provides several incentives to encourage BMP compliance. These include development commodities offered in exchange for relocating development out of sensitive lands into Town Centers with BMP improvements, certain exemptions for the calculation of land coverage for temporary coverage, pervious coverage and ADA facilities, as well as administering the Lake Friendly Business Program (described below). The incentives included in the Regional Plan encourage environmental redevelopment with required BMP installation in existing urban centers: areas that the TMDL identified as contributing high levels of pollutants loads. Coverage incentives provide some relief for homeowners trying to improve their properties when they achieve BMP compliance and are located in non-sensitive lands. Grant funding supports the Lake Friendly Business Program, which focuses TRPA's resources on high pollutant loading land uses by incentivizing BMP maintenance on commercial properties. Some feel these incentives should be augmented with a robust reimbursement subsidy program for single family residential properties, while others question whether the investment of staff time and resources to administer such a program would be worth the load reduction achieved.

### **Recommendation Summary:**

1. Continue to implement TRPA's existing incentive programs including the Lake Friendly Business Program.
2. Consider applying for new grant funds for additional incentive programs as they become available.

### **Background**

#### **Regional Plan**

The 2012 Regional Plan includes provisions incentivizing transfer of development out of sensitive lands to walkable mixed use centers with required BMP implementation, and targeted coverage exemptions for properties meeting BMP requirements.

#### **TRPA Code of Ordinances**

Section 30.4.6 of TRPA Code outlines the requirements for parcels taking advantage of incentives for the exemptions and partial exemptions of the calculation of land coverage. These exemptions require BMP compliance for the property to be eligible and do not apply to properties in sensitive land.

TRPA Code Chapter 51 addresses requirements for transfers of development taking advantage of incentives that augment the number of commodities associated with the parcel. Sending parcels must be restored and receiving parcels must comply with BMP requirements to be eligible for these provisions.

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<sup>1</sup> BMP Compliance Options Working Group Meeting #1 – Meeting Notes, March 12, 2014

### TMDL and Load Reduction Plans

Local jurisdictions must prepare load reduction plans that outline their approach to meeting TMDL load reduction requirements. Priorities focus on the most feasible and cost effective approach to reduce pollutants from urban runoff, which often focus in the highest loading areas. The TMDL provides scientific data that identify single family residences as contributing significantly less pollutant loads to Lake Tahoe compared with other land uses.<sup>2</sup>

### **Options and Analysis**

TRPA currently provides a variety of incentives for properties to comply with BMP requirements with the intent to improve Lake Tahoe's water quality. Incentives advanced by the 2012 Regional Plan target sensitive lands and encourage transfer of development to walkable mixed use centers designated as receiving areas. These incentives also encourage redevelopment of existing development in these high pollutant loading areas and encourage redevelopment that implements modern environmental improvements like BMPs. Redevelopment projects often have multiple threshold benefits compared to BMP retrofit projects, including scenic improvements and improved bicycle and pedestrian facilities. Coverage incentives for residential properties provide some relief for owners to improve their properties when they achieve BMP compliance and are located in non-sensitive lands.

TRPA tracks the progress achieved by these incentives through annual Regional Plan performance measures and can address them as needed during the four-year Regional Plan update. Grant funds support the Lake Friendly Business Program in both California and Nevada because of its focus on commercial properties. BMP maintenance of these high pollutant loading land uses provides greater support to local jurisdictions meeting TMDL load reduction requirements compared to a program that targets single family residential properties. While some feel these incentives should be augmented with a robust reimbursement subsidy program for single family residential properties, others question whether the investment of staff time and resources to administer such a program would be worth the load reduction achieved. TRPA did receive grant funds in the mid-2000s to support a reimbursement program for low income households complying with parcel-specific BMP requirements. The program had a very low utilization rate because many low income individuals do not own the property they live in and others live in multi-family residential properties, which were not eligible for the program. TRPA does not have dedicated general funding to support additional BMP incentive programs. Although TRPA can apply for grant funding as it becomes available, priorities focus on projects that achieve the greatest load reduction for the time and resources invested, including supporting the implementation of area-wide BMPs or providing commercial properties subsidies to meet BMP requirements.

### **Recommendations:**

1. Continue to implement TRPA's existing incentive programs including the Lake Friendly Business Program. Many of TRPA's programs are newly developed since adoption of the Regional Plan in December 2012 and need time to work. They are being tracked through annual Regional Plan performance measures and can be re-evaluated during the four-year update cycle.
2. Consider applying for new grant funds as they become available. Focus on area-wide BMPs or providing commercial property subsidies to meet BMP requirements.

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<sup>2</sup> Lake Tahoe TMDL Total Maximum Daily Load Technical Report, June 2010: Source Analysis, p. 4-61