



GOVERNMENT OF THE DISTRICT OF COLUMBIA
District Department of the Environment

**Stormwater In-Lieu Fee Special Purpose
Revenue Fund
Fiscal Year 2014 Summary Report**

Tommy Wells, Director
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Background

The Fiscal Year 2014 Budget Support Act established the Stormwater In-Lieu Fee Special Purpose Revenue Fund (“Fund”), which is administered by the District Department of the Environment (DDOE). The Fund is used to install green infrastructure that retains rainfall to reduce runoff and improve District waterbodies. Revenue comes from major development projects that trigger requirements for stormwater retention under the 2013 Rule on Stormwater Management and Soil Erosion and Sediment Control (“Rule”).¹ The Rule requires these projects to achieve their Stormwater Retention Volume (SWRv) with on-site green infrastructure (GI), Stormwater Retention Credits (SRCs), payment of in-lieu fee (ILF), or a combination of these options. Off-Site Retention Volume (Offv) is the portion of a SWRv that is not retained on site. Just as a regulated project’s on-site GI is required to be operational as of DDOE’s final construction inspection, a project’s Offv must be met at the same time.

The Rule establishes a base ILF of \$3.50 per gallon of Offv. Annually, as required by Section 530.2 of 21 DCMR, DDOE adjusts the base ILF to account for inflation using the Urban Consumer Price Index published by the United States Bureau of Labor Statistics. DDOE began the process of adjusting the base ILF by 2.07% in FY2014 to account for the change in inflation from June 2013 to June 2014. The current ILF is \$3.57 per gallon of Offv, effective December 5, 2014.

In-Lieu Fee Revenue

During FY2014, DDOE did not receive any ILF payments. However, one project with an approved Offv had a final DDOE construction inspection and met its Offv for one year with SRCs.

Table 1: Project that met its Offv with SRCs in FY2014

Watershed	Subshed	Sewer System	Offv	Current Period of Offv Compliance*	Watershed of SRC Generation	Subshed of SRC Generation
Anacostia	Anacostia	Combined	11,013	10-31-14 to 10-30-15	Potomac	Foundry Branch

* The project purchased and used SRCs to meet Offv for one year. In the following years, the project will need to purchase additional SRCs, pay in-lieu fee, install additional onsite retention, or do a combination of these options.

Fund Expenditures

Since no sites have paid ILF to meet their Offv, DDOE has not made expenditures from the Fund. However, DDOE is installing GI that could be used to meet Offv for projects that pay ILF. The project, a stormwater harvest and reuse system at Brookland Middle School, is located in the Northwest Branch subshed of the Anacostia River watershed in the separate storm system. It has a cost of approximately \$600,000.00, is financed from the Stormwater Permit Compliance

¹ Two types of development projects trigger requirements for stormwater retention. The first type, major land disturbing projects, are development projects that disturb 5,000 ft² or more of land area. The second type are major substantial improvement projects, which are renovation or addition projects where the cost of improvement equals at least 50% of the pre-project assessed value of the structure prior to improvement and the combined footprint of the improved structure(s) and any associated land disturbance is $\geq 5,000$ ft².

Enterprise Fund, and will provide approximately 20,000 gallons of Offv-eligible² retention capacity upon completion. ILF payments that DDOE receives will be used to reimburse the Stormwater Permit Compliance Enterprise Fund for the Brookland Middle School project and/or for other GI that DDOE installs to be used to meet Offv for projects paying ILF.

More Information

The Fund is managed by the Program Implementation Branch in DDOE's Stormwater Management Division. For more information, please visit ddoe.dc.gov/swregs. Additional questions should be directed to Brian Van Wye, Branch Chief for Program Implementation in the Stormwater Management Division at (202) 741-2121 or brian.vanwye@dc.gov.

² The eligibility requirements for ILF projects to meet a project's Offv are the same as those for SRC certification. In particular, retention by voluntary projects must exceed pre-project retention and, for regulated projects, must exceed the SWRv. Also, retention cannot exceed the SRC ceiling. Finally, projects must be designed, installed, and operated in compliance with a Department-approved SWMP, successfully pass a final construction inspection, and be maintained.