

KEY IMPLEMENTATION STRATEGY: Creating Incentives

There are several options for creating incentives for municipalities and property owners to retrofit green streets or parking lots. As described below, these incentives can be classified into three different categories: reward-based incentives, mandate-based incentives, and community-based incentives.

Reward-based Incentives

Reward-based incentives compensate a developer or property owner for incorporating green street and parking lot elements into their project. This type of incentive may include utility fee discounts, tax benefits, project grant funding, or even expedited review of development proposals. Reward-based incentives are particularly applicable to private development associated with parking lot projects. However, when private development occurs in conjunction with public streets, reward-based incentives can also apply. An example of a reward-based incentive is the City of Portland's Clean River Rewards Discount Program that allows up to a 35% reduction in residential or commercial stormwater utility fees for employing certain landscape-based stormwater management strategies on-site.

Mandate-based Incentives

This type of incentive require a developer or property owner to employ green street and/or parking lot strategies or their on-site stormwater management fee will be levied or increased. Mandate-based incentives can result in a more wide-spread application of green street and parking lot projects, but they can also set a more negative tone to a positive effort. Mandate-based incentives may also create a burden for municipal staff by creating a larger green street and parking lot program than originally anticipated.

Community-based Incentives

Many neighborhoods and business districts see the value of "greening" their environment



SOURCE: NEVUE NGAN ASSOCIATES

Figure 6-13: This residential green street project in Portland, Oregon was built using a combination of funding among the neighborhood residents, a grant, and municipal funding.

in terms of improving quality of life, increasing property values, and increasing business profits. Local neighborhoods are often willing to combine resources and help pay for a green street project, or agree to undertake long-term maintenance, or simply provide advocacy for a municipality's green street efforts.

One way to bring to bear full community resources is to form a community benefit district. Such an entity is comprised of a network of businesses and other property owners within a defined area who voluntarily agree to pay additional property tax in order to finance capital improvements and services that enhance, but do not replace, those provided by the city. Alternatively, parking benefit districts serve the same function, but derive their funding from on-street parking meters or non-resident parking passes.

General problem-solving is another common form of community-based incentives. For example, green street and parking lot projects have the potential to reduce neighborhood flooding, provide traffic calming, and provide pedestrian safety benefits. Communities are more inclined to endorse and provide incentives toward green street projects when they are part of a more comprehensive solution to neighborhood problems.