

FROM THE COVER

INCENTIVES

From page A1

lar concepts on top of buildings, and permeable pavement that allows water to seep into the ground.

Developers already must meet minimum detention requirements for how much water their projects can detain. Green stormwater infrastructure would not necessarily increase that capacity, but it could retain the water for longer than more traditional projects.

Stormwater would be absorbed by soil or vegetation, holding it instead of letting it slide over concrete and immediately into the drainage system. The plants and other features also can help capture carbon in the atmosphere and reduce urban heat, a phenomenon in which concrete exacerbates warm weather in city environments.

Commercial developers could save as much as 10 percent against their property tax increases when they incorporate green stormwater infrastructure into their developments. The program is open to \$3 million projects that include at least a \$100,000 investment in the eco-friendly strategy. The maximum abatement is the total cost of the green stormwater infrastructure, effectively reimbursing developers for including it.

The green building incentives depend on the level of certification a property receives under the national Leadership in Energy and Environmental Design program, known as LEED certified. The abatements are equal to 15 percent for platinum certification, the highest level; 10 percent for gold; and 5 percent for silver. Those previously were 10 percent, 5 percent and 2.5 percent, respectively, in the program that went unused for



Photos by Elizabeth Conley / Staff photographer

New Hope Housing's Rittenhouse development features an integrated area for stormwater. The development took advantage of Houston passing a new tax incentives program for green stormwater infrastructure.

a decade.

City Council passed the green stormwater abatement program by a 15-2 vote at its Dec. 16 meeting. Council members Greg Travis and Mike Knox voted no. Travis expressed concern about ceding revenue at a time when the city's budget is stressed due to the COVID-19 pandemic.

Council member Abbie Kamin, who proposed the abatement program when the city was crafting its budget in May, said she hopes it will expand in the future from multimillion-dollar commercial developers to homeowners seeking to add rain barrels to their properties.

"This is the start," Kamin said. "The reason I thought a tax abatement was a good idea is that it incentivizes rather than penalizes, and it creates an opportunity to foster a development culture around sustainability."



The stormwater infrastructure is designed to minimize the downstream impacts of development.

Mike Dishberger, the CEO of Sandcastle Homes and government affairs director for the Greater Houston Builders Association, said the abatement program likely will serve as an extra nudge for developers with big projects who already were considering including the infrastructure. He said he knows of a few large projects for which developers are eye-

ing the program.

"It does cause people to think, and a lot of developers are into the energy savings and having a green earth," Dishberger said. "They're looking to do some of that anyway, and this is just an incentive to get there."

Natalie Campos Goodman, who founded a Houston-based company called IncentiFind that helps de-

velopers find incentives for projects, said the new abatements are part of a growing trend nationally to stimulate resilience.

The benefit for developers goes beyond the abatements themselves, she said. The green infrastructure, and the resilience it can bring, makes the property itself more valuable.

"As natural disasters continue to plague our country, you're going to see a lot of local and state governments putting out these resilience incentives," she said.

Michael Bloom, an engineer with R.G. Miller who wrote a report for the city outlining the need for incentives, said the program is "the first out of the gate." His report recommended abatements, along with reorienting the city's development rules, creating an awards program to celebrate successful developments and streamlining the permitting process.

"I think it's a great first step. I'm excited that any of the four items we had recommended is moving forward," Bloom said. "I would say, in a lot of these things, the devil is in the details."

Bloom said some of the application requirements for the program are "maybe a little bit more burdensome than I would have liked to see." The program requires developers to show how their projects will achieve one of several environmental goals — such as flood mitigation, reducing urban heat or improving water quality — a prerequisite that Bloom said involves substantive technical analysis. He said he anticipates participation in the program could be low in the beginning.

City officials would not say how many applications they expect in its first year. Gwendolyn Tillotson, the city's deputy director of economic development, said the novel nature of the program makes it difficult to predict. She said the city will use the next 1.5 years to "fully assess" the program and make changes as needed when the city's abatement program returns to council in two years for routine consideration of its renewal.

"It's really uncertain how many applicants we will receive," Tillotson said.

Laura Patiño, the chief of staff in the city's recovery and resilience office, said the city tried to learn from the LEED program's lack of success in trying to develop an abatement that would attract applicants. She pointed out that developers, in Bloom's report, identified this type of program as worthwhile.

"We did not want to create a program that would not be utilized," she said.

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