



June 9, 2026 City Council Meeting

Title

Consider Ordinance Amendment to Section 10-4-19 to Adjust Stormwater Construction Permit Fees—Matthew Huston, Community Development

Summary

The Virginia Erosion and Stormwater Management Regulation (9VAC25-875) has been amended to increase the fees for various plan reviews and permits for the erosion and stormwater program administered by the Virginia Department of Environmental Quality. The amended regulation also incorporates future adjustments to fees following the Consumer Price Index (CPI). These regulatory changes go into effect no earlier than July 1, 2026. The plan review and permitting fees charged under the City's construction stormwater program currently match those charged by the state. Staff propose to adopt the fee increases implemented by the state as well as the future CPI-based adjustments to those fees.

Recommendation

Option 1. Adopt ordinance amendment adjusting erosion and stormwater management construction permitting fees as proposed by staff.

Fiscal Impact

The cost to the City for increasing the fees is trivial—updating permit application forms, communicating the change, etc. If the City elects not to increase its fees, the state's fees will still increase and the City's contribution toward the state's fees will increase, leaving less revenue to support the City's erosion and stormwater management program.

Context & Analysis

At its November 18, 2025, meeting, the State Water Control Board adopted amendments to the Virginia Erosion and Stormwater Management Regulation (9VAC25-875) to meet the program cost recovery requirements in Chapter 2 of the 2024 Special Session I Acts of Assembly. The amendments revise the existing statewide permit fee schedules for the VPDES¹ Permit for Discharges of Stormwater from Construction Activities, MS4² permits, associated permit modification, and permit maintenance. Changes to the existing regulation include not only

¹ Virginia Pollutant Discharge Elimination System

² Municipal Separate Storm Sewer System

revising the fee schedules, but also the inclusion of a consumer price index (CPI) annual adjustment factor, as well as changing the portion of the total permit fee paid to the Department of Environmental Quality by local Erosion and Stormwater Management Program authorities (such as the City's) from 28% to 30%. The revised fee schedules increase fees by between 49% and 62%, depending on the type of permit. The changes go into effect no sooner than July 1, 2026.

Currently, the fees charged under the City's erosion and stormwater management program match those in the state regulation prior to this recently adopted amendment. These fees are listed explicitly in the City's Erosion Control and Stormwater Management Ordinance within Section 10-4-19. Staff propose to match the revised fees essentially by incorporating the state's fees by reference. In this way, when the state increases its fees under a CPI adjustment, the City's fees will change as well, without having to amend the City ordinance.

For plan review and permit fees for which there is no equivalent under the state's fee schedule (i.e., the state stormwater program does not apply), staff propose no changes to the City's fees. These include fees for erosion control only, for resubmission of plans not approved, and for single-family detached residential structures.

It is important to note that if the City elects not to change its fees, the state fees will still change on July 1, 2026 (or soon thereafter). The 30% portion of fees collected under the City's program to be remitted to the state is based on the state's fee schedule, so the City would retain less revenue to support its program. To take an example:

Current fee schedule	Total fee collected	Portion remitted to state	Portion kept by City
Small Construction Activity (1 to 5 acres)	\$2,700	\$756	\$1,944
If City <u>matches</u> new state fee schedule	Total fee collected	Portion remitted to state	Portion kept by City
Small Construction Activity (1 to 5 acres)	\$4,100	\$1,230	\$2,870
If City <u>does not match</u> new state fee schedule	Total fee collected	Portion remitted to state	Portion kept by City
Small Construction Activity (1 to 5 acres)	\$2,700	\$1,230	\$1,470

Summary tables of the proposed fee changes are attached.

Options

1. Adopt ordinance amendment adjusting erosion and stormwater management construction permitting fees to match state fees and future CPI adjustments as proposed by staff.

2. Adopt ordinance amendment adjusting erosion and stormwater management construction permitting fees to match current state fee increase, but require future ordinance amendment be considered whenever state fees change.
3. Keep ordinance with current erosion and stormwater management construction permitting fees.

Attachments

1. Current Ordinance Reflecting Recommended Amendments
2. Summary Tables of Proposed Fee Changes
3. PowerPoint Presentation