

Being an Effective Change Agent for Stormwater Finance: An Overview of Five Phases to Gain and Exercise Influence, with Lessons Learned

*Never doubt that a small group of thoughtful and committed citizens can change the world;
indeed, it is the only thing that ever has.*
Margaret Mead, Cultural Anthropologist

*All organizations by design are the enemies of change, at least up to a point; government
organizations are especially risk averse because they are caught up in a web of constraints so
complex that any change is likely to rouse the ire of some important constituency.*
James Q. Wilson, Political Scientist

*Our communications were primarily about the city's stormwater needs, current and future, and
about what consequences the city could expect from inaction.*
Water Resources Department Staff, City of Lynchburg, Virginia, 2013

In essence, stormwater finance refers to a set of mechanisms, which governments can use to obtain the resources they need to pay for stormwater services. Optional sources of revenue include taxes, fees, grants, and loans. When choosing among the mechanisms, decision makers employ criteria such as cost of administration, fairness among payers, initial yield, and flow of revenue over time. There are tradeoffs to be faced when choosing one mechanism over others. Usually, policy-makers choose to combine mechanisms.

Stormwater finance is more than a set of mechanisms, however. Decisions about stormwater finance involve economic and political considerations such as, “What stormwater services should we provide, given that we have limited resources to pay for the many services we want to provide? How do benefits and costs differ across those services? What does the EPA/state mandate require us to fund? What would be the most cost-effective program to achieve our stormwater goals? What would be the economic impact of improved stormwater services in our jurisdiction? And, with citizens distrustful of government and hostile to paying more for the services we provide, how do we minimize negative reactions to doing more?”

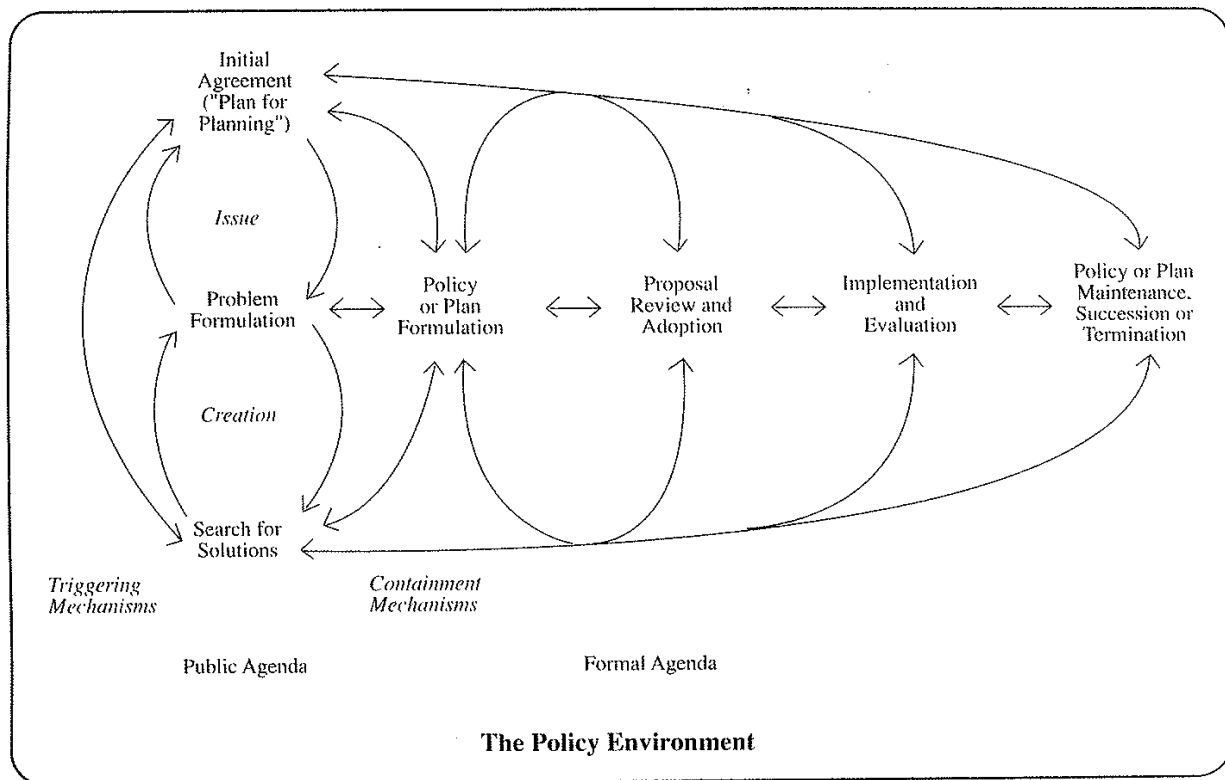
To help your jurisdiction solve the complicated issues emerging for stormwater finance, you will need to consider how you can gain and exercise influence – how you can be an effective change agent. The process begins with thinking about the stormwater problems that your local government faces and what your role as a change agent should be.

A Stormwater Policy and Program Reform Model

To be an effective change agent for stormwater finance in your community means you will take a lead role in one or more of five phases of a local policy-making, program-forming process.²

The phases should not be viewed as a linear, lock-step process but rather as an orienting framework to assist your thoughts and actions. Flexibility is required to apply the process to a particular situation and jurisdiction. The five-phase model is shown in Figure 1, introduced afterwards, and examined in detail in the sections that follow:

Government Policy/Program Development Model



² The five-phase model is based primarily on the work of Bryson and Crosby (1992) and, secondarily, on a similar five-phase model provided by Cyres and McClelland (2013) regarding the development and implementation of a stormwater utility.

Five Phases to Change Public Policies

As is shown in Figure 1, the first three phases – Gaining an Initial Agreement, Formulating the Problem, and Creating a Solution – constitute an interactive process by which stormwater management problems are assessed and at least one solution gains a place on your jurisdiction’s agenda. The five phases are:

Phase 1: Gaining an Initial Agreement. This preparatory phase involves bringing together an informal group of people to reach an agreement that changes in your jurisdiction’s stormwater services are needed. You and others may be dissatisfied, for example, with:

- a. The adequacy of resources to provide and maintain the infrastructure needed for traditional services such as flood protection;
- b. Funding to provide new services involving environmental protection and enhancement;
- c. Your jurisdiction’s responses to external mandates;
- d. Services needed to adjust to increasing stormwater risks attributable to warming of the earth’s atmosphere; or,
- e. The adequacy and fairness of existing stormwater finance mechanisms.

Typically, the first members of your group will be staff colleagues from within your jurisdiction, but as you search for information and agreement across your community, you will want to expand the group to include stakeholders, either as members of groups or individual citizens. With the formation of your group of staff and stakeholders, you may decide to seek information and resources from private consultants, state and federal agencies, university experts, and representatives from non-profit groups. After your group has achieved an initial agreement that you share a dissatisfaction about the status quo in stormwater services, a belief that your concerns are important, a sense that the consequences of not addressing those concerns is unacceptable, and a conviction that your jurisdiction is positioned to take action, you are ready to formulate the problem.

Phase 2: Formulating the Problem. A thorough understanding of your stormwater problem, or nest of problems, will allow you to avoid conflict about the need for new policies.³ Clearly defining the problem will help you develop a vision for where you want to head, share ownership of the effort, find good solutions, and identify criteria for policy success. Commonly, when people take the lead in defining an adaptive problem – that is a problem which will require, for its solution, changes in people’s behavior – they can expect resistance. For example, if the problem is formulated as the need to create a new financing mechanism for stormwater services in your jurisdiction, resistance can be expected. Change agents should anticipate resistance and know how to minimize their professional and personal risks. Formulating the problem often involves the creation of and work by an advisory committee.

³ Although problems sometimes come tangled in a nest, for this manual the intertwined set is termed “a problem.”

Phase 3: Creating a Solution. This phase involves searching for the scientific, engineering, legal, financial, and organizational mechanisms that will be required to solve the problem. Temptations to be avoided are to make the search too simplistic, short, or shallow (March and Simon, 1958). To create a stormwater finance solution, you will conduct detailed analyses to:

- a. Determine the costs and benefits of the existing stormwater program;
- b. Estimate what the costs and benefits would be with program improvements that are needed;
- c. Measure the gap between the two;
- d. Identify optimal funding mechanisms to bridge the gap; and
- e. Predict the consequences for each of the optional mechanisms.

When it comes to deciding how to pay for additional stormwater services, no two local jurisdictions are identical; there is no “one-size-fits-all” preferred mechanism. Many local governments, however, are turning to fees, implemented through stormwater utilities of various designs, as their preferred option for adding to stormwater services. We discuss fees in more detail in latter sections of the report.

Phase 4: Communicating the Solution and Developing Support. This phase involves clarifying and explaining, for decision makers and the public, what should be done, and facilitating political influence for approval of the program. Careful attention to the details of a proposal means it will be viewed by decision makers and the public-in-general as technically, politically, legally, and ethically acceptable. A proposal for reforming stormwater finance will be strong insofar as it reflects the goals, concerns, and interests of key stakeholders. At the end of this stage, elected officials will make a decision about if and how your jurisdiction will move forward, and, with approval of the solution, your leadership role will shift from being an advocate for the adoption of a program to becoming a change agent for implementing it.

Phase 5: Designing Implementation. For change agents, this phase involves applying administrative skills and coordinating with others to smoothly, rapidly, and effectively implement a decision. For stormwater finance, you will apply your skills to implement the revenue-gathering mechanism that has been chosen by your government. You will coordinate with the agencies and staff people in your jurisdiction whose work relates to stormwater services and finance, and with property owners as revenue and stormwater service providers. Two basic strategies for program implementation are “forward mapping” and “backward mapping,” and the two can be applied together, either directly or in stages. (Forward mapping is, in essence, linear, top-down planning for the future; backward mapping means identifying a preferred behavioral outcome to be achieved and working backwards to consider what actions are needed to produce that outcome.) Ideally, too, your implementation plan will become a “living document”; that is, you will evaluate it periodically and be flexible enough to incorporate learning-by-experience into it. Sometime in the future – with shifting values about stormwater, the imposition of new mandates, perhaps, and changing technology – you can expect your jurisdiction will decide that the policies and programs should be significantly altered or terminated.

At that time, another round of change will be in order, and the task will be, again, to gain an initial agreement about what to do.