



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: City Administrator

SUBJECT: Los Angeles County Safe Clean Water Parcel Tax Ballot Measure

MEETING DATE: September 18, 2018

RECOMMENDATION:

City Council to receive and file a presentation on the Los Angeles County Safe Clean Water Parcel Tax Ballot Measure for November 2018.

BACKGROUND:

Every agency that discharges water from its jurisdiction into the stormwater system is regulated under a National Pollution Discharge Elimination System (NPDES) federal permit assigned and enforced by the State Water Quality Resources Control Board and the Los Angeles Regional Water Quality Control Board. The permit remains in effect for 5 years. The MS4 Stormwater Permit enforces all Total Maximum Daily Loads (TMDLs) regulating water quality for trash, metals, nutrients, and bacteria. Local governments (cities and the County) are struggling to identify new sources of revenue to meet the requirements imposed by the permit and more stringent water quality regulations.

Parcel Fee – 1st Attempt

In 2012, the Los Angeles County Flood Control District attempted to implement a new parcel-related fee to property owners (residential and commercial including property owned by cities and school districts) as a **dedicated revenue source to fund water quality projects and programs required by the MS4 Permit**. However, at the time, there was not sufficient support and the measure did not succeed.

Parcel Fee – 2nd Attempt

For the past few years, LA County Flood Control District has been working on a 2nd attempt to gain the support of stakeholders. A representative of the District is present to provide an overview of the proposed Safe Clean Water Parcel Tax which will be placed on November 2018 ballot for voter approval.

ALTERNATIVES:

1. Approve staff recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

FISCAL IMPACT:

The proposed parcel tax of 2.5 cents per square foot of impermeable area is expected to generate approximately \$300 million in annual revenue Countywide. The revenues would be divided as follows:

Regional Program (50%) = \$150 million

Municipal Program (40%) = \$120 million

County District Program (10%) = \$30 million

Commerce property owners are estimated to contribute approximately \$1.3 million towards the 40% local return held and distributed most likely by the Gateway Water Management Authority for the Gateway cities, which the City utilizes as its fiduciary agent for joint water projects. The Regional Program would be distributed through a County competitive application process with stakeholder involvement.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to a specific 2016 Strategic Goal to “create and pursue opportunities for collaboration and regional partnerships to maximize resources and address regional issues.”

Approved by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Gina Nila, Deputy Director of Public Works Operations

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Administrator

Attachment: LA County Safe Clean Water Parcel Tax Presentation