



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Manager

SUBJECT: Adoption of a Resolution Opting for the City of Commerce to be Included in a Prospective 2020 Revenue Measure to Fund Critical Fire Protection and Emergency Services should the Consolidated Fire Protection District of Los Angeles County and the Los Angeles County Board of Supervisors Decide to Pursue Such a Measure

MEETING DATE: November 5, 2019

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Adopt the following resolution: Opting for the City of Commerce to be included into consideration of the Los Angeles County Fire District's potential funding measure for fire protection and emergency services, and;
- 2) Authorize City Manager to issue a written notice and executed copy of the proposed resolution to the Fire District indicating that the City of Commerce has determined to allow voters to decide on this important funding measure and therefore authorizes the Fire District to include the City of Commerce within a 2020 ballot measure to provide critical funding for fire protection and emergency medical services.

BACKGROUND:

The Consolidated Fire Protection District of Los Angeles County Fire District (also referred herein as "Fire District") is considering a potential tax measure in 2020 that would provide critical funding needed for additional paramedic services, as well as facility renovations/replacement, vehicles, updated dispatch and communication systems, and critical equipment needs to ensure the continued safety of the public and firefighters. As the City of Commerce contracts for services with the Fire District, the Fire District has reached out to determine if the City Council is desirous of opting into the Fire District's ballot measure. If the City Council agrees, Commerce voters will be allowed to vote on a funding measure that would provide additional funding for fire protection and emergency medical services. Funds raised in each fee-for-service city will be allocated to a zone to ensure that funds will be expended within the city they are generated for major fire station repairs/replacement, additional paramedic services, and offsetting costs for equipment,

vehicles, dispatching and communications equipment, etc., which would be specified in a Adoption of a Resolution Opting Commerce in to a Prospective 2020 Fire District Revenue Measure resolution by the Los Angeles County Board of Supervisors that places a measure on the March or November 2020 ballot.

The Los Angeles County Fire Department provides life safety services to 58 jurisdictions including 11 fee-for-service contract cities and the unincorporated areas within Los Angeles County. Over the past 10 years, the department has experienced a 50 percent increase in emergency medical incidents, with a less than five percent increase in paramedic squads or enhanced ALS services throughout the county. The county has also recognized that some of the fire engines, medical emergency and rescue vehicles are more than 20 years old and costly to repair and maintain. In addition, the communications systems, including emergency response, lifesaving protection and rescue, date back nearly three decades and are incompatible with wireless networks and other modern digital systems. Recognizing the need to implement the upgrades to the equipment and infrastructure and increase in personnel, the Los Angeles County Fire Department has been researching the options to address the funding gap between the identified needs and available funds. Los Angeles County Fire Department receives one third of the operational costs for the lifeguard operations from the Los Angeles County general fund. The remaining funding for the department is through the department's previous tax measures. In order to offset the costs, Los Angeles County Fire Department will request approval from Los Angeles County Board of Supervisors to place a special tax on the March or November 2020 ballot to address the funding needs of the department.

DISCUSSION:

Los Angeles County Board of Supervisors has recognized the need for the Consolidated Fire Protection District of Los Angeles County (also referred to herein as "Los Angeles County Fire Department" or "Fire District") to levy a special tax to enable the fire department to maintain, update and replace infrastructure and enhance services.

The Los Angeles County Fire Department is considering placing a ballot measure on the March or November 2020 ballot asking residents to support a special tax that would be used to fund the Fire Department's infrastructure needs for facilities, vehicles, equipment, and systems, and any associated financing costs and staffing needed to improve response times and services. If approved, the special tax would automatically commence during the Fire Department's 2020-2021 fiscal year, imposing the tax upon the parcels located within the unincorporated areas of Los Angeles County, Agoura Hills, Artesia, Baldwin Park, Bell, Bellflower, Bell Gardens, Bradbury, Calabasas, Carson, Cerritos, Claremont, Cudahy, Diamond Bar, Duarte, Glendora, Hawaiian Gardens, Hidden Hills, Huntington Park, Industry, Irwindale, La Canada Flintridge, Lakewood, La Mirada, Lancaster, La Puente, Lawndale, Lomita, Malibu, Maywood, Norwalk, Palmdale, Paramount, Pico Rivera, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Rosemead, San Dimas, Santa Clarita, Signal Hill, South El Monte, South Gate, Temple City, Walnut, West Hollywood, Westlake Village, and Whittier.

Los Angeles County Fire Department has 11 fee-for-service contract cities: Azusa, Commerce, Covina, El Monte, Gardena, Hawthorne, Hermosa Beach, Inglewood, Lynwood, Palos Verdes Estates, and Pomona. LACoFD has extended an invitation to the

fee-for-service contract cities to opt into the ballot measure. Opting into the ballot measure includes allowing the voters of the individual cities to vote on approval or denial of the measure. Should the measure pass, those cities that opted into the measure, would have the funds collected from the special tax within their specific community directly offset the contract cost amounts for overhead, infrastructure and staffing.

Since 1993, the Fire District is reporting that the number of total incidents within the City have increased by 61% (Attachment 2), with no increase in additional staffing. Analysis of calls shows that data represents a significant increase in medical incidents within Commerce. If a tax is approved by voters, the City and the Fire District will negotiate to determine appropriate staffing enhancements and Fire Station improvements to mitigate increased incident levels in the City and provide fiscally sustainable Fire and Emergency Services to address the City's continually evolving service demands. Should a ballot measure be pursued and approved by the voters, the Fire District estimates Commerce based revenues would range between \$2,430,000 and \$3,604,000 (Attachment 3), depending the tax levy formulation determined by the Fire District. The savings would be reflected on the annual invoice as a credit; therefore, decreasing the City's annual expenditure to the County.

Should the City decide not to opt into the initiative, there would be no annual cost savings to offset the potential increases in the overhead costs associated with critical upgrades needed for the County dispatch and communication center, apparatus and equipment and personnel costs associated with Commerce services. There will not be an opportunity for the fee-for-service contract cities to opt in after the election has happened; therefore, should the ballot measure pass and a fee-for-service contract city did not participate, the city would be responsible for any and all costs for the duration of its contract.

Cost for the ballot measure would be borne by the Fire District.

ALTERNATIVES:

The City of Commerce Council may alternatively elect not to be included in the prospective ballot, continuing to fund Fire and Emergency Medical Services costs solely from General Fund revenues.

FISCAL IMPACT:

None with this action. However, should LA County Fire pursue ballot placement of a revenue measure, all associated costs would be the responsibility of the Fire District. Should the Council "Opt In" for inclusion into a measure, which is subsequently approved by voters, the Fire District estimates Commerce based revenues between \$2,430,000 and \$3,604,000, dependent upon the potential tax levy formulation selected by the Fire District. These revenues would assist in funding critical Fire and Emergency Medical Services within the City mitigating increases in incident levels and, offsetting increased Fire and Emergency Services costs as negotiated between the City and Fire District.

RELATIONSHIP TO STRATEGIC GOALS:

This report before the Council is not applicable to any specific 2016 Strategic Plan Guiding Principle; however, it is related to the following Strategic Focus Area: Create and pursue opportunities for collaboration and regional partnerships to maximize resources and address regional issues.

Recommended by: Vilko Domic, Assistant City Manager
Approved as to form: Norma Copado, City Attorney

ATTACHMENTS:

1. Resolution
2. Incident Growth for Fee for Service Cities
3. Fee for Service City Revenue Estimates Provided by LA County Fire