



R-19

CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

333 West Ocean Boulevard • Long Beach, CA 90802 • 562) 570-6711 FAX (562) 570-7650

August 14, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Request the City Attorney to prepare a Resolution in support of the Los Angeles Region Safe, Clean Water Program Special Parcel Tax, which will be considered countywide by voters on the November 6, 2018 ballot. (Citywide)

DISCUSSION

On July 24, 2018, the City Council approved a recommendation to receive and file a report on the Los Angeles Region Safe, Clean Water Program (Program) (Attachment A), a program to be funded by a special parcel tax, if Los Angeles County voters approve the tax with a two-thirds vote in the November ballot election. The City Council requested staff to return with this item for consideration on August 14, 2018.

The purpose of the special parcel tax is to provide funds for programs and projects that increase stormwater and urban runoff capture, and reduce stormwater and urban runoff pollution in Los Angeles County. The rate of the proposed special parcel tax is two and one-half cents per square-foot of impermeable surface. The tax would become effective July 1, 2019, and the tax funds would first appear in Fiscal Year 2020. Revenues generated by the tax will be invested according to State law.

The City stands to benefit from this measure due to its water quality challenges stemmed from its location at the end of two large watersheds. The estimated benefit to the City is currently unknown. Staff is evaluating local programs and services that could be enhanced or established if the special tax is approved by voters.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Revenue Management Officer Geraldine Alejo on July 27, 2018.

TIMING CONSIDERATIONS

City Council action is requested on August 14, 2018.

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FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
CITY MANAGER

Attachment A – July 24, 2018 Council Letter and Powerpoint Presentation



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July 24, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
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RECOMMENDATION:

Receive and file a report on the Los Angeles Region Safe, Clean Water Program, a potential countywide ballot measure that may be considered by all Los Angeles County voters on November 6, 2018, and give direction to City staff on the Measure as appropriate. (Citywide)

DISCUSSION

On July 17, 2018, the Los Angeles County Board of Supervisors (Board of Supervisors) considered a proposed ordinance related to the adoption of a special Parcel tax to establish the Los Angeles Region Safe, Clean Water Program (Program). The purpose of the special Parcel tax is to provide funds for programs and projects that increase stormwater and urban runoff capture, and reduce stormwater and urban runoff pollution in Los Angeles County (County). The rate of the proposed special Parcel tax is two and one-half cents per square-foot of impermeable surface. This ordinance was originally written to become effective July 1, 2019, with the parcel tax appearing on the secured tax roll in Fiscal Year 2020, if voters approve the measure by a two-thirds vote on the November 6, 2018 ballot.

Revenues generated by the Program will be invested according to State law. AB 1180 was adopted by the State Legislature in 2017, and sets forth three investment areas with Program allocations as follows:

- **Municipal Program (40 percent)** – The City of Long Beach (City) expects at least \$5 million will be allocated directly to Long Beach on an annual basis through the Municipal Program.

Countywide, the Municipal Program will return 40 percent of all funds generated by each city back to that city. Eligible activities for this funding source include those that improve recreational water quality by implementing data driven programs, services and infrastructure projects consistent with Total Maximum Daily Load (TMDL), National Pollutant Discharge Elimination System (NPDES) permits, as well as Municipal Separate Storm Sewer System (MS4) stormwater permits. A vast database of information regarding stormwater pollutants that must be reduced in specified water bodies throughout County exists. This information has already been used by state and federal regulatory agencies to establish TMDLs, NPDES permits, and MS4 permits with which cities and the County must comply. Permit compliance for the City represents a \$600-\$900 million unfunded mandate over 30 years.

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- **Regional Program (50 percent)** – Regional Program funds will be distributed by the County through competitive call for projects cycles. While, the specific rate of return to the City is unknown, the City expects Regional Program funds to further reduce City TMDL, NPDES and MS4 compliance costs and improve water quality in Long Beach because the Program will fund water quality improvement projects both in Long Beach and upstream of the City.

The Regional Program will be funded through a consolidation of 50 percent of funds generated by each city in the County within specified watersheds. Regional Program funds will support three sub-programs: (1) an Infrastructure Program; (2) a Technical Resources Program; and, (3) a Scientific Studies Program. The Infrastructure Program will support multi-benefit water quality projects that include a water supply benefit, community enhancement benefit, or both. To be eligible for Infrastructure Program funds, project applicants must secure a letter of support from at least one municipality within the Region. The Technical Resources Program will provide funding for stormwater management feasibility studies. The Scientific Studies Program will provide funding for monitoring, modeling, or other activities that may support future stormwater management activities.

- **Los Angeles County Flood Control District (District) (10 percent)** – Part of the City's TMDL, NPDES and MS4 compliance costs include future feasibility studies, stormwater monitoring and modeling, as well as stormwater education programs. While the City may not receive a direct allocation of the District's 10 percent of program funds, the District will use this source of funding to administer the Safe, Clean Water Program, coordinate countywide public education programs, and support countywide water quality planning and coordination, as well as scientific studies and water quality modeling efforts.

City staff are currently evaluating local programs and services that could be established or enhanced if the Los Angeles Region Safe, Clean Water Program is approved. City staff have been very active in informing the development of this measure to ensure any measure put before voters would maximize the benefit to Long Beach, as Long Beach arguably has the most water quality challenges due to its location at the end of two large watersheds.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Budget Analysis Officer Julissa José-Murray on June 11, 2018.

TIMING CONSIDERATIONS

City Council direction is requested on July 24, 2018.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
CITY MANAGER



**SAFE
CLEAN
WATER
PROGRAM**

Los Angeles County Flood Control District

Initiative to Improve Water Quality

July 24, 2018

CITY OF
LONGBEACH

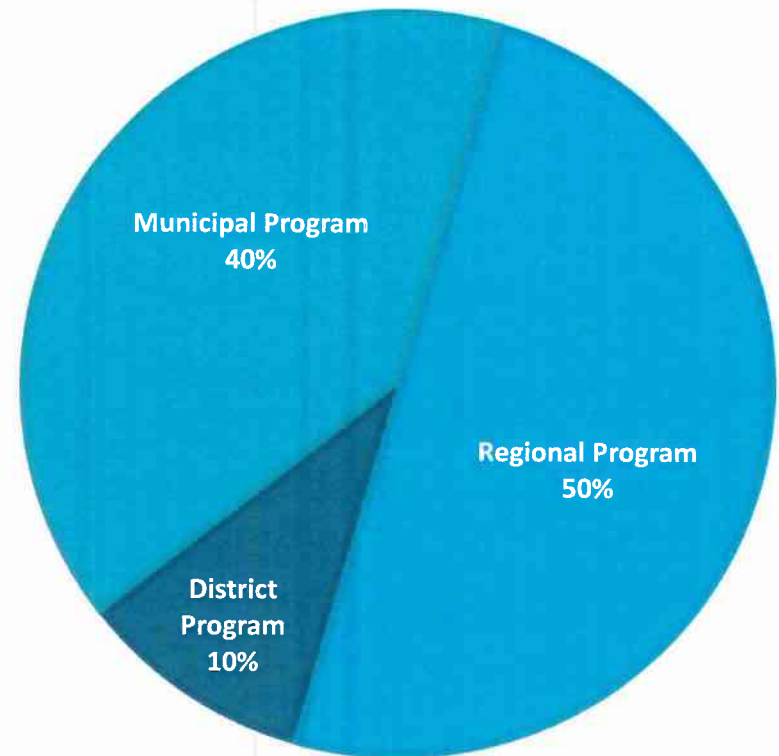
Safe, Clean Water Program

- **Program purpose: Support for programs and projects that improve water quality by increasing stormwater and urban runoff capture and reducing pollution**
- Special parcel tax in areas serviced by the Los Angeles County Flood Control District
- Tax rate: \$0.025 per square feet of impermeable surface
- Average parcel tax increase for single family residence: \$83.00 per year
- Total revenues: \$300 million per year

Overall Funding Allocations

AB 1180 (Holden, 2017) established distribution of revenues:

- **Municipal Program:** 40% of funds allocated to *cities* for water quality projects
- **Regional Program:** 50% of funds allocated to *regional watershed areas* for regional multi-benefit projects that have a water quality benefit and either a water supply benefit, or community enhancement, or both
- **District Program:** 10% of funds allocated to *the County* for program administration and public education



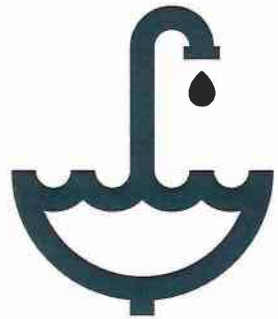
Municipal Program



SAFE CLEAN WATER PROGRAM

- 40% of Safe, Clean Water Program Funds, \$120 million countywide per year
- Long Beach local return: **\$5 million per year**
- Funding must be used for water quality programs and projects
- Proposed ordinance provides **local control** to maximize ability for cities to address local stormwater needs

Regional Program



SAFE CLEAN WATER PROGRAM

- 50% of Safe, Clean Water Program Funds, \$150 million countywide per year
- Program funds distributed by Watershed Area
- Nine (9) watershed areas in SCW Program
- Long Beach is in two (2) watersheds:
 - Lower Los Angeles River Watershed
 - Lower San Gabriel River Watershed

Regional Program – Watershed Area Steering Committee Membership

	Central Santa Monica Bay	Lower Los Angeles River	Lower San Gabriel River	North Santa Monica Bay	San Joaquin	South Coast River	South Santa Monica Bay	Upper Los Angeles River	Upper San Gabriel River
Watershed Representation (6 seats)		Long Beach 22%							
		Commerci 11%							
		Corona 11%	Long Beach 17%						
		Downey 10%	Santa Fe Springs 11%						
		South Gate 5%	Whittier 5%						
		Downey 6%	Harwood 5%						
		Lynwood 5%	Lakewood 5%						
		Huntington Park 4%	Unincorporated 7%						
		Paramount 4%	Centros 7%						
		Unincorporated 4%	La Mirada 7%						
		Bel Gardens 3%	Downey 5%						
		Bel 2%	Bellflower 5%						
		Pico Rivera 2%	Pico Rivera 5%						
		Cudahy 2%	Paramount 2%						
		Maywood 2%	Artesia 2%						
	Signal Hill 1%	La Habra Heights 2%							
	Carson 0%	Signal Hill 2%							
	Lakewood 0%	Howland Gardens 2%							
	Non-represented City (Self Selected) 1	Non-represented City (Self Selected) 1							
LACFD	FCO	FCO	FCO	FCO	FCO	FCO	FCO	FCO	
Water Agency	Central Basin	Central Basin	Central Basin	San Joaquin	San Joaquin	San Joaquin	San Joaquin	San Joaquin	
Watershed Water Agency 1	Water Replenishment District	Water Replenishment District	Water Replenishment District	Water Replenishment District	Water Replenishment District	Water Replenishment District	Water Replenishment District	Water Replenishment District	
Sanitation	San Districts	San Districts	San Districts	San Districts	San Districts	San Districts	San Districts	San Districts	
Open Space	City of Long Beach Parks and Recreation	City of Long Beach Parks and Recreation	City of Long Beach Parks and Recreation	City of Long Beach Parks and Recreation	City of Long Beach Parks and Recreation	City of Long Beach Parks and Recreation	City of Long Beach Parks and Recreation	City of Long Beach Parks and Recreation	
Customer/ Stakeholder (6 seats)	Appointed by SAC	Appointed by SAC	Appointed by SAC	Appointed by SAC	Appointed by SAC	Appointed by SAC	Appointed by SAC	Appointed by SAC	

six membership seats determined by impermeable area in the Watershed areas (100% Watershed land area = 6 seats = ~16%)

Regional Program – Permeable Square Footage & Tax Generation

Watershed Area	50% Return
Central Santa Monica Bay	\$18.9M
Lower Los Angeles River	\$14.2M
Lower San Gabriel River	\$17.9M
North Santa Monica Bay	\$2.3M
Rio Hondo	\$12.4M
Santa Clara River	\$7.2M
South Santa Monica Bay	\$19.9M
Upper Los Angeles River	\$41.1M
Upper San Gabriel River	\$20.7M
Total:	\$154.6M

- 50% of Safe, Clean Water Program funds distributed to Regional Program Watershed Area Groups

Watershed	Permeable Sq-ft	Impermeable Sq-ft	Total Sq-ft	Impermeable %
Central Santa Monica Bay	1,522,099,588	1,512,787,009	3,034,886,597	50%
Lower Los Angeles River	341,590,534	1,134,965,776	1,476,556,310	77%
Lower San Gabriel River	753,384,161	1,434,385,507	2,187,769,668	66%
North Santa Monica Bay	2,069,564,922	180,586,487	2,250,151,409	8%
Rio Hondo	958,034,415	995,475,997	1,953,510,412	51%
Santa Clara River	6,388,458,291	575,431,812	6,963,890,103	8%
South Santa Monica Bay	964,556,820	1,589,171,132	2,553,727,952	62%
Upper Los Angeles River	4,011,569,992	3,286,540,113	7,298,110,106	45%
Upper San Gabriel River	2,391,896,714	1,659,550,790	4,051,447,505	41%

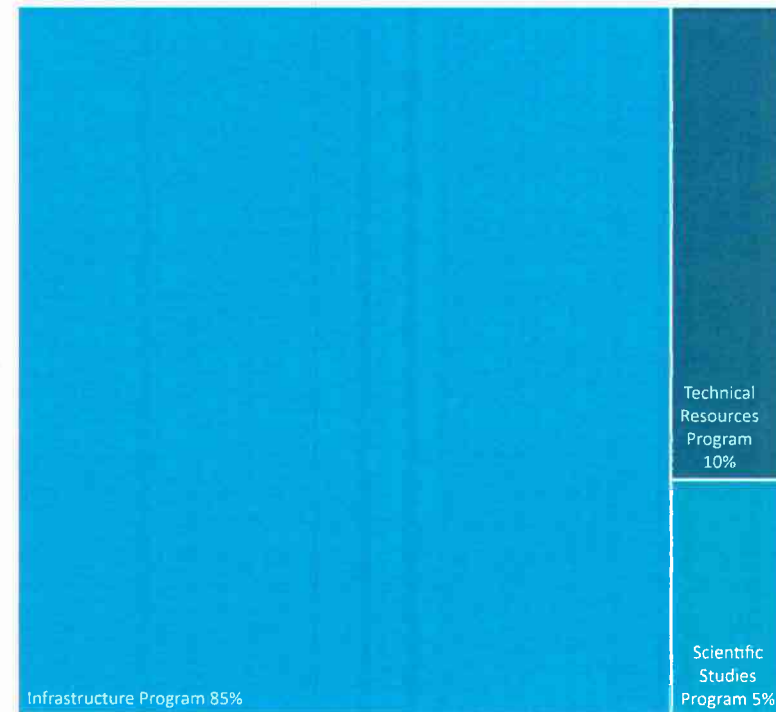
Regional Program

- Eligible applicants – any entity with a completed Feasibility Study:
 - ✓ Cities
 - ✓ Non-profit organizations
 - ✓ Businesses
 - ✓ Water suppliers
- Project requirements
 - Watershed-based, multi-benefit project
 - Project has a water quality benefit and either a water supply benefit, or community enhancement, or both
 - Projects must be in an approved water quality plan, i.e.: Integrated Regional Water Management Plan
 - Any *non-municipal* project applicant must also include a letter of support from at least one municipality in the regional watershed group



Regional Program

- Funds distributed to Watershed Areas:
 - **85% to Infrastructure Program** - funds will support multi-benefit watershed-based projects
 - **10% to Technical Resource Program** - funds will support feasibility studies necessary to advance future infrastructure program projects
 - **5% to Scientific Studies Program** - funds will support scientific studies



District Program

- 10% of Safe, Clean Water Program Funds, \$30 million per year
- Administer the Safe, Clean Water Program
- Provide staff support for the Regional Program: Scoring Committee, Watershed Area Steering Committees, Regional Oversight Committees
- Administer and coordinate the Scientific Studies Program for the region
- Fund cross-Watershed Area scientific studies
- \$25 million minimum investment in stormwater education programs every 5-years

Long Beach

- Municipal Program: \$5 million per year
- Regional Program: Additional competitive funds for *multi-benefit* water quality and water supply projects
- Average parcel tax increase for single family residence: \$83.00 per year
- Funding supports local water quality improvements





Conclusion

Contact Information

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