



Staff Report

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**Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of October 23, 2018**

**SUPPORT FOR LOS ANGELES COUNTY MEASURE W TO
ESTABLISH THE SAFE, CLEAN WATER (SCW) PROGRAM**
(Management Analyst Katrina Nguyen)

Recommended Action:

Staff recommends that the City Council approve and authorize the Mayor to sign a letter of support on behalf of the City regarding Los Angeles County Measure W, and direct staff to provide signed copies to Supervisor Janice Hahn and appropriate local stakeholders.

Background:

In 2012, the Los Angeles Regional Water Quality Control Board issued the Multiple Separate Storm Sewer Permit (MS4 Permit) that requires cities in Los Angeles County to achieve specific storm water standards. The cities of Hermosa Beach, Torrance, Redondo Beach, Manhattan Beach and the Los Angeles County Flood Control District (District) formed the Beach Cities Watershed Management Group to develop an Enhanced Watershed Management Program (EWMP) to comply with the 2012 Permit and compliance with Santa Monica Bay Beaches Bacteria (SMBBB) Total Maximum Daily Load (TMDL) and Santa Monica Bay Toxics TMDL. The EWMP identifies a network of control measures (referred to as best management practices (BMPs)) to achieve the required pollutant reductions.

Each city is responsible for implementing BMPs in their jurisdiction (distributed projects) such as green streets and source reduction programs, as well as implementing large, multi-jurisdictional (regional) projects. The Los Angeles County Department of Public Works has estimated that the total capital costs to implement these BMPs to comply with the permit exceeds \$20 billion for the County and cities. Since there are no storm water ratepayers who deliver a steady stream of revenue, cities cannot sell bonds to build storm water projects the way that water and sewer utilities can for their missions. Consequently, cities will be required to use general fund revenues to meet these storm water compliance obligations.

On July 17, 2018, the L.A. County Board of Supervisors approved the Safe Clean Water (SCW) Program and Measure W to be placed on the ballot for consideration by voters on November 6, 2018. Measure W implements a special tax of 2.5 cents per square foot of impermeable surfaces on property owners in Los Angeles County and will generate approximately \$300 million per year of dedicated funding for the municipal and regional storm water programs. This is approximately \$83 a year for the average single-family homeowner, exempting low-income seniors, and property owners will be able to see estimated bills using an online tool developed by the County. If Measure W is approved by County voters in November, it will provide a stable source of revenue to help cities

comply with their MS4 permits.

Analysis:

The proposed SCW Program will assist cities in meeting water quality compliance regulations through various projects and programs with an emphasis on implementing multi-benefit storm water infrastructure. Additionally, Measure W seeks to augment the region's water supply by modernizing Los Angeles County's outdated water infrastructure to capture and retain storm water.

Beginning July 1, 2019, the special parcel tax will be imposed and the revenue received as a result of the measure will be distributed as follows:

- Ten percent (10%) of the revenues would be distributed to the District for the implementation and administration of projects, programs, and activities.
- Forty percent (40%) would be allocated to municipalities within the District, including the unincorporated area of the County, in proportion to the tax collected in each jurisdiction to carry out eligible activities set forth by the County.
- Fifty percent (50%) would be allocated to the nine watershed areas to fund regional watershed-based activities proportional to the funds generated in each watershed area. Each watershed area will have a Watershed Area Steering Committee that will develop annual funding plans for regional projects within their area.

In a report to the Los Angeles County Board of Supervisors, the estimated annual Municipal Program funds dedicated to the City of Hermosa Beach amounts to \$160,000 (**Attachment 1**). This funding can be applied to projects and programs that include a water quality benefit. Multi-benefit projects and nature based solutions are strongly encouraged. An example of an eligible project is the Hermosa Avenue Green Street Project, including but not limited to: concept development, planning, design, construction, monitoring, and operations/maintenance.

The Regional funds can be applied to three (3) Programs:

- Infrastructure Program (not less than 85% of Regional Program funds)
- Technical Resources Program (up to 10% of the Regional Program funds)
- Scientific Studies Program (up to 5% of Regional Program funds)

Specifically, The Infrastructure Program funds can be used to plan, build, and maintain multi-benefit watershed-based projects such as the beach cities infiltration projects to address water quality priorities at the Herondo Drain outfall.

On October 16, 2018 the cities of Manhattan Beach and Redondo Beach passed resolutions in support of Measure W. It is recommended that the City Council of Hermosa Beach support Measure W for the reasons outlined above and submit a letter of support for Measure W (Attachment 2). Staff will provide City Council with an update on the outcome of Measure W following the November 6 election.

A draft letter of support from the City of Hermosa Beach is provided as **Attachment 2**.

General Plan Consistency:

As part of PLAN Hermosa, the City set goals and adopted policies aimed at being a leader and

partner in the region on issues of mutual concern. Policies from PLAN Hermosa that are most relevant to this agenda item are listed below:

Policy 4.2. Regional Governance. Play an active role in the South Bay Cities Council of Governments, the Southern California Association of Governments and other regional agencies to protect and promote the interests of the City.

Policy 5.1 Rainwater collection. Encourage innovative water recycling techniques such as rainwater capture and use of cisterns for outdoor watering purposes.

Fiscal Impact:

There is no direct fiscal impact associated with this Council action.

Attachments:

1. Safe Clean Water Program Overview
2. Draft Letter of Support

Respectfully Submitted by: Katrina Nguyen, Management Analyst

Concur: Nico De Anda-Scaia, Assistant to the City Manager

Approved: Suja Lowenthal, City Manager