



Staff Report

File #: REPORT 19-0668, Version: 1

**Honorable Mayor and Members of the Hermosa Beach City Council
Adjourned Regular Meeting of October 10, 2019**

**LOS ANGELES COUNTY FIRE DEPARTMENT 2020 BALLOT
MEASURE OPT-IN FOR THE CITY OF HERMOSA BEACH**
(City Manager Suja Lowenthal)

Recommended Action:

Staff recommends that the City Council:

1. Approve the City of Hermosa Beach to opt into the Los Angeles County Fire Department 2020 ballot measure allowing City of Hermosa Beach residents to vote on the approval/denial of the special tax to provide critical funding for fire protection and emergency medical services; and
2. Approve Resolution XX-XXX approving the City of Hermosa Beach's opt into the Los Angeles County Fire Department March or November 2020 special tax ballot measure.

Executive Summary:

The City of Hermosa Beach contracted with Los Angeles County Fire Department (LACoFD) in Fall of 2017. LACoFD began providing fire services to the City on December 31, 2017 and contracted through 2027. The fire contract includes costs associated with overhead expenses, personnel and fire station renovations.

Los Angeles County Fire Department intends to pursue a ballot measure in 2020 to assist with providing critical funding for fire protection and emergency medical services. LACoFD is offering fee-for-service contract cities an opportunity to opt into the funding revenue that would be available should the ballot measure pass. In order to opt in, the City of Hermosa Beach City Council would authorize LA County Fire Department to incorporate the Hermosa Beach residents into the voter mix, allowing the voters to determine the outcome of the ballot measure.

Background:

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 departments 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 (Los Angeles County Fire Department) 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 Departments 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 who 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. The special tax would be levied per parcel based on square footage (maximum of 100,000 square feet per parcel) of a property at \$0.06 or \$0.089 per square foot. All parcels would be included except for government buildings, churches, tax exempt properties and vacant lots. For example, if a property owner had a 4,000 square foot parcel, the annual tax increase for the property would be \$240.00 at the \$0.06 rate and \$356.00 at the \$0.089 rate.

If the City of Hermosa Beach were to opt into the initiative, the potential minimum annual cost savings would be \$908,000. 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 Hermosa Beach 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. Some cities such as Azusa, opted into the Measure E tax in 1997 and have an annual offset of about \$1.3 million dollars. Other cities, such as Covina, did not opt into the Measure E opportunity, but is hoping to opt into this opportunity to assist with offsetting costs and improving fire infrastructure, staffing, and equipment needs within the city.

Next Steps

The City of Hermosa Beach City Council would need to determine if the City will opt into the 2020 Los Angeles County Fire Department Ballot Measure. If the City Council opts in, the Council would need to approve Resolution XX-XXXX, allowing Los Angeles County Fire Department to include the City of Hermosa Beach voters in the voting pool for the March or November 2020 election. **(Attachment 1: Resolution to Opt In to the Los Angeles County Fire Department Ballot Measure)** Los Angeles County Fire will notify fee-for-service contract cities the week of October 28, 2019 to provide the election date, March or November, in which the ballot measure would appear. The measure is currently being evaluated based on polling data provided by a consultant working with Los Angeles County Fire Department. Should Los Angeles County Fire Department determine the March 2020 election is appropriate, LACoFD will submit any and all necessary documents to the Board of Supervisors including the City of Hermosa Beach's opt in resolution should City Council chose to opt in by October 30, 2019.

Los Angeles County Fire Department will conduct all community outreach to the voters, educating the residents about the initiative, including the need for the funding and the impacts the funds will have on the services provided by LACoFD. **(Attachment 2: Outreach materials to be distributed within Hermosa Beach)** Should the measure pass, LACoFD will conduct all of the duties related to the collection, distribution and administration of the special tax funding. The City of Hermosa Beach would monitor monthly invoices received from LACoFD to ensure the credit is applied appropriately.

General Plan Consistency:

This report and associated recommendation have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

Chapter 1 Governance Goal 1: A high degree of transparency and integrity in the decision-making process. Policy 1.6 Long-term considerations: Prioritize decisions that provide long-term

community benefit and discourage decisions that provide short-term community benefit but reduce long-term opportunities.

Chapter 6 Goal 5 High quality police and fire protection services provided to residents and visitors. Policy 5.1 High level of response: *Achieve optimal utilization of allocated public safety resources and provide desired levels of response and protection within the community.*

Fiscal Impact:

Based on projections provided by the Los Angeles County Fire Department, a potential minimum credit of \$908,000 annually would be applied to the annual fire services contract.

Attachments:

1. Resolution XX-XXXX opting in to the Los Angeles County Fire Department Ballot Measure.
2. Los Angeles County Fire Department Outreach Materials to be distributed within Hermosa Beach.
3. Los Angeles County Fire Department wearelacountyfire.org <<http://wearelacountyfire.org/>> information and survey

Respectfully Submitted by: Brandy Villanueva, Emergency Services Coordinator

Concur: Scott Hale, Los Angeles County Fire Department, Division Assistant Fire Chief

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager