



City of Culver City

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Staff Report

File #: 16-038, Version: 2

Item #: A-2.

CC - (1) Discussion of Four Ballot Measures Relating to Proposed Charter Amendments Previously Approved by the City Council for a Special Municipal Election to be Consolidated with the Statewide General Election to be Held on Tuesday, November 8, 2016; (2) Discussion of an Additional Proposed Ballot Measure to Establish a Clean Water Parcel Tax to Fund Compliance Measures Required by the National Pollutant Discharge Elimination System Program; and (3) Direction to the City Manager as Deemed Appropriate.

Meeting Date: July 11, 2016

Contact Person/Dept: Serena Wright, Administrative Services Director
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Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Public Hearing: ☐ Action Item: ☒

Attachments: Yes ☒ No ☐

Commission Action Required: Yes ☐ No ☒ Date:
Commission Name:

Public Notification: (E-Mail) Meetings and Agendas - City Council (06/30/16 and 07/05/16);
(Publication) Culver City News (07/07/16)

Department Approval: John Nachbar, City Manager (07/05/16)

RECOMMENDATION:

Staff recommends the City Council:

1. Discuss four ballot measures relating to proposed charter amendments previously approved by the City Council for a special municipal election to be consolidated with the statewide general election to be held on Tuesday, November 8, 2016.
2. Discuss an additional proposed ballot measure to establish a clean water parcel tax to fund compliance measures required by the National Pollutant Discharge Elimination System Program.

BACKGROUND / DISCUSSION:**Charter Amendments**

At its Regular Meeting held on March 14, 2016, the City Council adopted the necessary resolutions to call and give notice of a special municipal election to be consolidated with the Statewide general election to be held on Tuesday, November 8, 2016 for the purpose of submitting to the voters four ballot measures relating to proposed Charter amendments. If approved by the voters, these measures would:

- a. Change the appointing authority and the reporting responsibilities of the Fire Chief and Police Chief from the City Council to the City Manager;
- b. Provide for the ineligibility of a person who has resigned from the City Council to run for the Office of City Council Member for a period of four years from the date of such resignation;
- c. Change term limits for City Council Members from the current two full terms to three full terms with such change becoming effective for City Council Members assuming office after November 8, 2016; and,
- d. Authorize the City Council to determine the dates of Regular Meetings of the City Council.

At its Regular Meeting held on May 9, 2016, there was consensus from the City Council to re-agendize this matter for discussion. The staff report and resolutions from the March 14, 2016 City Council meeting are attached for reference. Unless alternative direction is provided to staff, the proposed Charter amendments will proceed to appear on the November 8, 2016 ballot as approved on March 14, 2016. If City Council provides alternative direction, the necessary resolutions would return to City Council on July 25, 2016 for consideration.

Proposed Clean Water Parcel Tax

The 1972 Clean Water Act established the National Pollutant Discharge Elimination System (NPDES) Program to regulate the discharge of pollutants from point sources to waters of the United States. In 1990, Phase 1 of the NPDES Program established a framework for regulating municipal and industrial discharges of storm water and non-storm water. The program addressed sources of storm water and dry-weather urban runoff that had the greatest potential to negatively impact water quality.

On November 8, 2012, the California Regional Water Quality Control Board - Los Angeles Region adopted NPDES No. CAS004001, Order No. R4-2012-0175, "Waste Discharge Requirements for Municipal Separate Storm Sewer System (MS4) discharges within the Coastal Watersheds of Los Angeles County, except those discharges originating from the City of Long Beach MS4." The permit includes strict requirements termed Total Maximum Daily Loads (TMDLs) which are numerical limits

for pollutants such as bacteria, heavy metals, toxics and trash in the affected water bodies (Ballona Creek and Marina del Rey). There are severe penalties for non-compliance with these numerical limits, up to \$10,000 per day per violation. In addition, non-compliance exposes the City to potential third party lawsuits which is another potentially significant impact to the City's fiscal health. These financial impacts could reduce City services that benefit Culver City residents, including but not limited to public safety, parks and general government services.

In order to address the strict requirements of the Permit, the Permit allows the City the flexibility to develop an Enhanced Watershed Management Program (EWMP) to implement the requirements of the Permit on a watershed basis through customized strategies, control measures, and Best Management Practices (BMPs).

After years of planning and development, the City along with other cities in the Ballona Creek and Marina del Rey watersheds submitted their draft EWMP to the Regional Board and received approval in March 2016. In the coming months, the City must implement its portion of the approved EWMP to remain compliant with the Permit. The EWMP comprehensively identifies project opportunities within the City and watershed boundaries. Such opportunities include development of a green streets program including projects that infiltrate and filter storm water and urban runoff within public right-of-way, such as parkways and parks; construction of multi-beneficial regional projects that capture and clean large volumes of storm water/urban runoff; and implementation of Low Impact Development practices that require new developments to clean and infiltrate storm water and urban runoff emanating from private property. The City does not have any specific funding set aside for stormwater compliance. Therefore, the City is requesting assistance from Culver City taxpayers to help reduce/eliminate harmful pollution from entering our waterways and protect local sources of drinking water from contamination. The tax measure would fund innovative infrastructure projects throughout the City and watershed that will capture and clean storm water/urban runoff before it enters waterways such as Ballona Creek or Marina del Rey. Some projects will be designed to re-use water or recharge local sources of ground water. In this way, the captured runoff becomes an asset, rather than a liability.

Full implementation of the EWMP, which is required to comply with the Permit, is estimated to cost the City up to \$125 million. The proposed measure would only partially fund this requirement with the average homeowner paying roughly \$99 a year, generating an estimated \$2 million in annual revenues that may only be used for pollution prevention and clean-up of local waterways.

During the Fiscal Year 2015/16 budget process, this matter was discussed in some depth, including the City Manager's Budget Message. As indicated then, staff still believes the most prudent approach is to attempt to secure funding at a level the community is willing to support, even if it will not fully fund the costs for all the requirements of the EWMP. This would at least show Culver City working in good faith to address the requirements.

Staff recommends a proposed measure where each single family residential parcel would be taxed \$99, each multi-family residential parcel would be taxed \$69 per residential unit, and each improved non-residential parcel would be taxed \$1,096 per acre. This would result in approximately \$2 million in annual tax revenues. Additionally, the amount generated by residential parcels (64%) and non-

residential parcels (36%) would be representative of their proportionate share of total City acreage.

It is also recommended that a low-income senior citizen discount be included. This would include persons 65 years of age or older residing in a single family property or multi-family property within the City where the household meets the Low Income limit of eighty percent (80%) of the Area Median Income (AMI) or lower for Los Angeles County, as determined annually by the California Department of Housing and Community Development. Eligible senior citizens would annually complete and submit a City specified claim form to receive a fifty percent (50%) discount.

Based on direction from City Council, the necessary resolutions would return to City Council on July 25, 2016 for consideration.

FISCAL ANALYSIS:

There is no fiscal impact from discussing these items. The estimated cost to consolidate the election with Los Angeles County is \$100,000, and has already been included in the Fiscal Year 2016/17 Adopted Budget based on the City Council action of March 14, 2016.

ATTACHMENTS:

1. Staff Report and Resolutions from March 14, 2016.

RECOMMENDED MOTION(S):

That the City Council:

- 1) Discuss four ballot measures relating to proposed charter amendments previously approved by the City Council for a special municipal election to be consolidated with the statewide general election to be held on Tuesday, November 8, 2016; and provide direction to staff;
- 2) Discuss an additional proposed ballot measure to establish a clean water parcel tax to fund compliance measures required by the National Pollutant Discharge Elimination System Program; and
- 3) Provide direction to the City Manager as deemed appropriate.