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POTENTIAL FUNDING SOURCES ANALYSIS AND RECOMMENDATIONS

Town of Moraga

Storm Drain Funding Feasibility Study (CIP 17-201)

April 2017

Prepared by:



Task 1 Report









3.0 SIMILAR EFFORTS BY OTHER AGENCIES

RECENT STORM DRAINAGE FUNDING EFFORTS IN CALIFORNIA

There have been relatively few voter-approved local revenue mechanisms in the past 15 years established to support storm drainage programs in California. The table below lists the major efforts throughout California.

TABLE 4 - RECENT STORM DRAINAGE MEASURES

Municipality	Status	Annual Rate		Year	Mechanism
San Clemente	Successful	\$	60.15	2002	Balloted Property Related Fee
Carmel	Unsuccessful	\$	38.00	2003	Balloted Property Related Fee
Palo Alto	Unsuccessful	\$	57.00	2003	Balloted Property Related Fee
Los Angeles	Successful	\$	28.00	2004	Special Tax - G. O. Bond
Palo Alto	Successful	\$	120.00	2005	Balloted Property Related Fee
Rancho Palos Verde	Successful , then recalled and reduced	\$	200.00	2005, 2007	Balloted Property Related Fee
Encinitas	Unsuccessful	\$	60.00	2006	Non-Balloted Property Related Fee adopted in 2004, challenged, ballot and failed in 2006
Ross Valley	Successful, Overturned by Court of Appeals, Decertified by Supreme Court	\$	125.00	2006	Balloted Property Related Fee
Santa Monica	Successful	\$	87.00	2006	Special Tax
San Clemente	Successfully renewed	\$	60.15	2007	Balloted Property Related Fee
Solana Beach	Non-Balloted, Threatened by lawsuit, Balloted, Successful	\$	21.84	2007	Non-Balloted & Balloted Property Related Fee
Woodland	Unsuccessful	\$	60.00	2007	Balloted Property Related Fee
Del Mar	Successful	\$	163.38	2008	Balloted Property Related Fee
Hawthorne	Unsuccessful	\$	30.00	2008	Balloted Property Related Fee
Santa Cruz	Successful	\$	28.00	2008	Special Tax
Burlingame	Successful	\$	150.00	2009	Balloted Property Related Fee
Santa Clarita	Successful	\$	21.00	2009	Balloted Property Related Fee
Stockton	Unsuccessful	\$	34.56	2009	Balloted Property Related Fee
County of Contra Costa	Unsuccessful	\$	22.00	2012	Balloted Property Related Fee
Santa Clara Valley Water District	Successful	\$	56.00	2012	Special Tax
City of Berkeley	Successful		varies	2012	Measure M - GO Bond
County of LA	Deferred	\$	54.00	2012	NA
Vallejo San & Flood	Successful	\$	23.00	2015	Balloted Property Related Fee
Culver City	Successful	\$	99.00	2016	Special Tax
County of El Dorado	Studying	NA		NA	NA
County of Orange	Studying	NA		NA	NA
County of San Mateo	In Process		NA	NA	NA
City of Sacramento	In Process		NA	NA	Balloted Property Related Fee
County of Ventura	Studying		NA	NA	Balloted Property Related Fee

DISCUSSION - WHY DID IT SUCCEED OR FAIL

BURLINGAME, PALO ALTO AND ROSS VALLEY

These three efforts were all successful at a relatively high rate, and provide helpful direction for the Town. All three primarily address local flooding with some stormwater quality elements. All three of these are relatively small, affluent, Bay Area communities that are similar to Moraga. In the case of Burlingame, a significant amount of door-to-door public outreach was required to gain property owner approval.

CULVER CITY, SANTA CRUZ AND SANTA MONICA

Culver City, Santa Cruz and Santa Monica have relatively high numbers of renters living in apartment buildings which make a special tax more attractive than a property-related fee. All three conducted successful special taxes, at varying rates, emphasizing prevention of beach closures.

<u>Culver City</u> passed Measure CW with 74% approval in November 2016; a \$99/single-family residence ("SFR") parcel tax for water quality improvements. The measure was branded as "Clean Water, Clean Beaches," like the slogan used by the City of Los Angeles in their Measure O campaign. More specifically, the measure was "to protect public health/groundwater supplies and prevent toxins and pollutants from contaminating local waterways, creeks and beaches, by improving storm drains/infrastructure to capture/clean urban runoff; preserving open space; and complying with clean water laws." Other rates were \$69 for multi-family residential dwelling unit and \$1,096 per acre for non-residential properties.

Santa Cruz passed Measure E with 76% approval in 2008; a \$28/single-family residence ("SFR") parcel tax for beaches. The question on the ballot was, "To protect public health and the environment by reducing pollution, trash, toxics and dangerous bacteria in our river, bay and ocean; helping to keep beaches clean; protecting fish and wildlife habitat; shall the City of Santa Cruz adopt a Clean River, Beaches and Ocean Tax, with revenues spent locally under independent citizen oversight? The annual rates will be \$28 for single-family parcels, \$94 for other developed parcels, and \$10 for undeveloped parcels." In the ballot text, it said the tax is to "be used exclusively for the purpose of reducing and preventing water pollution and managing stormwater runoff."

Santa Monica passed Measure V with 67% approval in 2006; a parcel tax for clean water/groundwater recharge/beaches that was \$87/SFR in 2009. Taken from the Santa Monica website is a description of the Measure: "Measure V raises property tax revenue to be used solely for the purpose of implementing urban runoff water quality improvements in the City in accordance with the City's Watershed Management Plan adopted in 2006. It is the most equitable source of funding to pay for new urban runoff treatment projects that will prevent our unhealthful water pollution, from reaching Santa Monica beaches and the Santa Monica Bay."

DEL MAR

The City of Del Mar used a mail ballot process in 2008 for two separate issues. The first pertained to their then-current clean water fee, assessed at a rate of \$20.90 bi-monthly, and the other to a proposed increase to \$27.23 bi-monthly with language allowing for CPI increases. They decided to ballot their then-current fee because they increased the rate without balloting in 2003, and questions had been raised about its legality in regards to Prop 218 after a 2006 Supreme Court case that ruled stormwater fees could not be increased without voter approval.

