



# Notice of Public Hearing City of Los Altos Storm Drainage Fee

**1 North San Antonio Road  
Los Altos, California 94022-3087**

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To: [SALUTATION]

From: Aida Fairman, P.E.  
Interim Engineering Services Director  
City of Los Altos

Dear Property Owner:

**NOTICE IS HEREBY GIVEN that the City Council will hold a public hearing on a proposed Storm Drainage Fee for properties within the City of Los Altos.**

## STORM DRAINAGE PUBLIC HEARING

The Storm Drainage Public Hearing has been scheduled for:

April 23, 2019  
7:00 p.m.  
City Council Chambers  
One North San Antonio Road, Los Altos, California

At this Public Hearing, the City Council will consider the proposed Storm Drainage Fee and receive input from all persons interested in the matter. The public is encouraged to attend.

The Public Hearing is held in accordance with Article XIIID of the California Constitution (Proposition 218) and with the procedures adopted by Resolution No. 2018-40 of the City Council on October 09, 2018. The procedures may be accessed on the City's web site at [www.losaltosca.gov/cleanwater](http://www.losaltosca.gov/cleanwater).

Any owner of a parcel of real property subject to the proposed Storm Drainage Fee may object to the proposed fee by filing a written protest with the City Clerk. In order to be considered, each written protest must contain a legible signature of the property owner, and either the address or assessor's parcel number for the property. Written protests may be mailed or delivered in-person to the City Clerk, and must be received by the City Clerk's office no later than 5 p.m. on April 23, 2019. Alternatively, written protests may be delivered at the public hearing, any time prior to the closing of the public hearing. Only one written protest per parcel will be counted for the purpose of determining whether a majority protest exists. Protests submitted by email or other electronic

means will not be accepted. The property owner may also appear at the hearing and be heard on the matter; provided, however, that any oral comments made at the public hearing will not be counted toward determining whether a majority protest exists unless a written protest is also filed, as described above.

If the City Clerk does not receive written protest from a majority of property owners subject to the proposed Storm Drainage Fee before the close of the public testimony portion of the public hearing, the City Council may authorize a mail ballot proceeding on the question of whether to approve the fee. Under this scenario, ballots would be mailed to all property owners whose parcels are subject to the fee.

The storm drain system is operated by the City of Los Altos, and the proposed Storm Drainage Fee would be collected and used strictly for storm drainage purposes as summarized on the following pages.

If approved, the City intends to collect the fees on the annual tax bill along with other fees and charges. The fee for a single-family home on a medium parcel between 9,000 square feet (.21 acre) and 14,500 square feet (0.32 acre), which is the most common fee, would be **\$88.00 per year**. The entire schedule of proposed Storm Drainage Fee rates is shown in the table below.

### Schedule of Proposed Rates

Land Use Category	Proposed Fee FY 2019-20
<b>Single-Family Residential *</b>	
Small <i>(Under 9,000 sf)</i>	\$ 72.00 per parcel
Medium <i>(9,000 to 14,500 sf)</i>	\$ 88.00 per parcel
Large <i>(14,500 to 20,000 sf)</i>	\$ 100.32 per parcel
Extra Large <i>(over 20,000 sf)</i>	\$ 117.59 per parcel
Condominium	\$ 72.00 per parcel
<b>Non-Single-Family Residential **</b>	
Multi-Family Residential	\$ 57.24 per tenth of an acre
Commercial / Retail / Industrial	\$ 65.69 per tenth of an acre
Office	\$ 57.24 per tenth of an acre
Church / Institutional	\$ 44.57 per tenth of an acre
School	\$ 36.73 per tenth of an acre
Park	\$ 3.71 per tenth of an acre
Vacant (developed)	\$ 3.71 per tenth of an acre
Open Space / Agricultural	exempt

\* Single-Family Residential category also includes du- tri- and four-plex units which are charged per parcel square feet .

\*\* Non-SFR parcels are charged per the tenth of an acre or portion thereof.

## COMMUNITY MEETINGS

The City will also be conducting four community meetings to provide additional opportunities for the public to receive information and provide input regarding storm drainage infrastructure in Los Altos. The date, time and place of the meetings are shown below:

**Community Meeting #1:**

March 20, 2019  
3:30 - 4:30 p.m.  
Hillview Community Center  
Multipurpose Room  
97 Hillview Avenue, Los Altos

**Community Meeting #2:**

March 20, 2019  
6:30 - 7:30 p.m.  
Hillview Community Center  
Multipurpose Room  
97 Hillview Avenue, Los Altos

**Community Meeting #3**

April 3, 2019  
3:30 - 4:30 p.m.  
Grant Park Community Center  
Multipurpose Room  
1575 Holt Avenue, Los Altos

**Community Meeting #4**

April 3, 2019  
6:30 - 7:30 p.m.  
Grant Park Community Center  
Multipurpose Room  
1575 Holt Avenue, Los Altos

## DESCRIPTION OF PROPOSED STORM DRAINAGE FEE

**Reason for the Proposed Storm Drainage Fee.** Clean water, protection of property and sustainable management of infrastructure are essential community values and investing in these is a top priority. The City of Los Altos (City) has an ongoing program that provides the means for realizing these community values. The Clean Water Program (Program) focuses on clean water protection, operating and maintaining the citywide storm drain system and implementing storm drain, trash removal and green infrastructure capital improvements. The challenge the City faces is there is no dedicated or sustainable funding source to support the Program. The Program has historically been funded with a limited allocation from the General Fund. This requires competing with other community priorities like parks, roads and emergency services and makes the City's decisions about where to use limited resources even more difficult.

The City has performed detailed analysis to identify Program needs, financial challenges and practical solutions. This includes conducting an engineering study in 2016 (Stormwater Master Plan) to evaluate the condition and capacity of the City's existing storm drainage system and to identify specific infrastructure improvements necessary to address system inadequacies. This 2016 Plan recommended a capital improvement program ("CIP") totaling \$29 million to address chronic flooding problems and inadequate capacity in the aging storm drain system of pipes, inlets and outfalls. In addition, the 2016 Plan identified specific improvements in operations, maintenance and environmental compliance ("O&M") programs estimated to cost an additional \$490,000 annually. Together these costs (updated to 2018) translate to an annual need of approximately \$1.1 million dollars.

In order to make this critical investment into its storm drain system, the City is proposing a new storm drainage fee for properties contributing stormwater runoff to the City's storm drainage system that will support clean water protection, O&M needs and address the CIP projects rated High and Moderate Priority. Below is a summary of storm drainage system needs.

1. Capital Improvement Program. The 2016 Stormwater Master Plan recommended 70 projects costing \$29 million broken into three priority levels – high, moderate and low. In addition, the Plan categorized the projects in the following ways:
  - a. Pipeline Conveyance and Capacity: Where the existing pipe system does not have the capacity to meet the system demand.
  - b. System Extension: Where new pipes need to be installed to eliminate street flooding.
  - c. Dry Wells: Where old subdrain systems that are no longer fully functional must be replaced or improved.
  - d. Problem Areas: Known areas of chronic flooding.
  - e. Regulatory Compliance: Two planning projects – Trash Capture Plan (complete) and Green Infrastructure Plan (underway).

The High and Moderate CIP is estimated to cost \$13,080,000 (in 2018 dollars), or approximately \$611,000 annually (if financed over 30 years).

2. Clean Water and Creeks Protection Program. In order to keep the City's creeks and waterways safe, clean and healthy, the 2016 Stormwater Master Plan recommends the City make improvements to its environmental compliance programs. This would include increasing activity on problem area maintenance, creek cleanups, and inspection/oversight of private development projects. In addition, the City is developing and will need to implement comprehensive trash capture and green infrastructure programs to meet the sustainability needs of the community and comply with federal and state regulations. To implement these elements the City will require a modest staffing increase (about 0.7 Full Time Equivalent). In total, this is estimated to cost approximately \$522,000 annually.

The total amount to be collected by the proposed Storm Drainage Fee in Fiscal Year 2019-20 is \$1,133,000 (\$611,000 for Capital Improvements plus \$522,000 for the Clean Water and Creeks Protection Program). If the City is unable to secure a dedicated local revenue source to support the Clean Water/Storm Drainage Program, it will severely limit the City's ability to construct priority projects identified in the Stormwater Master Plan and will hamper our Clean Water Protection efforts. It will also force the Program to continue to compete and draw funds from the General Fund making the City's decisions about where to use limited resources even more difficult and potentially pulling money from other community priorities like parks, roads and emergency services.

## **ADMINISTRATIVE ELEMENTS OF THE STORM DRAINAGE FEE**

**How the Fee Is Calculated.** Los Altos provides a service to all properties in the City by collecting, conveying, and managing all the stormwater that runs off those properties. The proposed Storm Drainage Fee is imposed as a flat fee on an annual basis, and is determined by customer class, as set forth in the schedule of proposed rates. Customer classes, and their corresponding proposed Storm Drainage Fees, are based on the relative amount of water runoff produced by each parcel or category of parcel, which is proportional to the impervious surfaces (such as roof tops and pavement) found on the property or category of parcel, with customers grouped into classes based on shared characteristics and behaviors. A copy of the full Storm Drainage Fee Report can be found on the City's website at [www.losaltosca.gov/cleanwater](http://www.losaltosca.gov/cleanwater).

**Properties Subject to the Fee.** All properties in the City are subject to the fee except for open space, agricultural land, and undeveloped vacant parcels that do not include impervious surfaces.

**Annual Inflation Adjustment.** In order to offset the effects of inflation on labor and material costs, if approved, the proposed Storm Drainage Fee will be subject to an annual increase based on the change in the Consumer Price Index-U for the San Francisco, Oakland, Hayward Area as of December of each succeeding year, provided, however, that (1) the Storm Drainage Fee shall not increase by more than 3% in any single year as a result of the inflationary increase; and (2) the Storm Drainage Fee will not be increased to exceed the cost of providing the storm drainage services. The City Council must consider the annual increase each year at a meeting open to the public prior to implementation.

**Accountability and Oversight Provision.** The proposed Storm Drainage Fee revenues will be collected and deposited into a separate account that can only be used for specified storm drain projects, maintenance, and operations.

**Potential Future Incentive Program.** In its effort to encourage local environmental stewardship, the City encourages property owners to implement best practices and improvements to help keep our waterways safe, clean and healthy. In many instances, efforts on individual properties can lessen the overall burden on the City's storm drainage system. In recognition of that, the City may implement a fee reduction program for properties that implement certain measures. Stay tuned for more on that.

## LEARN MORE

If you have questions or want to learn more, please contact the Engineering Services Department at 650-947-2780 or visit our website at [www.losaltosca.gov/cleanwater](http://www.losaltosca.gov/cleanwater).