

**SAFE, CLEAN WATER PROGRAM
2026-27 AND OR 2027-28 CREDIT TRADING PROGRAM TRANSACTION
GUIDELINES**



Los Angeles County Public Works
900 S. Fremont Ave, Alhambra, CA 91803
www.SafeCleanWaterLA.org



**SAFE, CLEAN WATER PROGRAM
FY26-27 AND/OR FY27-28 CREDIT TRADING PROGRAM PURCHASE AGREEMENT AND RECEIPT
GUIDELINES**

*** For FY26-27 and/or FY27-28 only, Purchase Receipts must be submitted by May 1, 2026 ***

Pursuant to Section **16.08.A** of the Los Angeles County Flood Control District Code: “Commencing the fiscal year 2019-20, an annual special parcel tax in the amount of two and one-half (2.5) cents per square foot of Parcel Impermeable Area, is hereby imposed upon all Parcels located within the District, except as provided in Section 16.09 of this Chapter.”

Pursuant to Section **16.10.B** of the Los Angeles County Flood Control District Code: “The District shall establish a credit trading program that, at a minimum, would allow Parcel owners to purchase and sell credits to satisfy Special Parcel Tax obligations. The program shall be implemented in accordance with the provisions of Section 18.11 of Chapter 18 of this code.”

For the purposes of the Safe, Clean Water Program:

“Qualifying Activities” means the construction, operation or maintenance of a Stormwater Improvement on a Parcel that is subject to exemption from the Special Parcel Tax pursuant to Section 16.09 of the Los Angeles County Flood Control District Code. Qualifying Activities exclude projects and activities that are already being claimed as the basis for a Special Parcel Tax credit by a property owner through the [Safe, Clean Water Program Credit Program](#).

“Qualified Buyers”, also referred to as “the Buyer”, means owners of Parcels or Benefited Developments subject to the Special Parcel Tax who obtain approval from Public Works to purchase Tax Credit Trading Units.

“Qualified Sellers”, also referred to as “the Seller”, means Special Parcel Tax-exempt Parcel owners or authorized entities that obtain approval from Public Works to sell Tax Credit Trading Units subject to the requirements herein.

“Tax Credit Trading Unit”, also referred to as “TCTU”, represents \$1.00 of annual Special Parcel Tax credit generated by a Qualified Seller’s Qualifying Activities.

Capitalized terms used herein and not otherwise defined are defined as set forth in Chapters 16 and 18 of the Flood Control District Code [and Los Angeles County Public Works Credit Program Procedures and Guidelines].

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Purchase Agreement Guidelines

A Credit Trading Program Purchase Agreement must be submitted on an annual or biannual basis and no later than May 1 of each fiscal year for TCTUs to apply to the Fiscal Year(s) (FY) on this form. The FY is equal to the Tax Year, running July 1 through June 30.

Information that Qualified Buyers and Qualified Sellers **must** include on their Purchase Agreement include:

- Qualified Buyer's name, phone number, email address, and mailing address
- Qualified Seller's name, phone number, email address, and mailing address
- Qualified Buyer's Assessor Parcel Number(s) (APNs) of which the agreed TCTUs are proposed to be applied
- Number of total TCTUs that the Qualified Buyer is agreeing in principle to purchase from the Qualified Seller
- Number of TCTUs to be applied to each of the Qualified Buyer's APNs (if multiple APNs)
- The Fiscal Years of which the TCTUs are proposed to be applied (FY26-27 and/or FY27-28)
- The agreed upon unit price of TCTUs in the transaction
- The agreed upon total price of the TCTUs in the transaction
- Date of Purchase Agreement
- Qualified Buyer's signature
- Qualified Seller's signature
- A certification statement that states: "I CERTIFY UNDER THE PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. I UNDERSTAND THAT THIS AGREEMENT AND ALL SUBMITTED MATERIALS ARE SUBJECT TO SAFE, CLEAN WATER PROGRAM AUDITS."

*****Note that the Qualified Buyer and Qualified Seller may not exchange payment until the Purchase Agreement has been approved by Los Angeles County Public Works (Public Works).*****

Purchase Agreements are subject to Public Works review and may require revisions as directed by Public Works to ensure the transaction meets the requirements set forth in the [Credit Trading Program Procedures and Guidelines](#). It should be noted that apart from the required information specified in these Credit Trading Program Transaction Guidelines, Public Works does not provide the format or other content of the Purchase Agreement. The format and any other Purchase Agreement provisions deemed necessary are up to the discretion of the Qualified Buyer and Qualified Seller so long as the Purchase Agreement (and Purchase Receipt) otherwise comply with these Credit Trading Program Transaction Guidelines. The Qualified Buyer and Qualified Seller should satisfy themselves as to the Purchase Agreement's and any other related documents' sufficiency, including from a business and legal standpoint, as Public Works is not responsible for making such determinations on behalf of the Qualified Buyer and Qualified Seller.

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Purchase Receipt Guidelines

Upon the Purchase Agreement approval by Public Works, the Qualified Seller and Qualified Buyer must exchange payment according to the agreed upon terms of the approved Purchase Agreement and submit a Purchase Receipt to Public Works within 5 business days. Note that the Purchase Receipt shall not deviate from the agreed upon terms in the approved Purchase Agreement.

Information that Qualified Buyers and Qualified Sellers **must** include on their Purchase Receipt include:

- Qualified Buyer's name, phone number, email address, and mailing address
- Qualified Seller's name, phone number, email address, and mailing address
- Qualified Buyer's APNs of which the agreed TCTUs are proposed to be applied
- Number of total TCTUs that the Qualified Buyer is purchasing from the Qualified Seller
- Number of TCTUs to be applied to each of the Qualified Buyer's APNs (if multiple APNs)
- The Fiscal Years to which the TCTUs shall be applied (FY26-27 and/or FY27-28)
- The agreed upon unit price of TCTUs in the transaction
- The total Dollar amount the Qualified Buyer paid the Qualified Seller
- Date of Purchase Receipt
- Qualified Buyer's signature
- Qualified Seller's signature
- A certification statement that states: **"I CERTIFY UNDER THE PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. I UNDERSTAND THAT THIS RECEIPT AND ALL SUBMITTED MATERIALS ARE SUBJECT TO SAFE, CLEAN WATER PROGRAM AUDITS."**

Completed Purchase Agreements and Purchase Receipts shall be submitted in person, by mail, or emailed to:

Mailing Address

Safe, Clean Water Program, 11th Floor
P.O. Box 1460
Alhambra, CA 91802-1460

In-Person Drop Off Physical Address

Safe, Clean Water Program, 11th Floor
900 S. Fremont Ave.
Alhambra, CA 91803

Email to

SafeCleanWaterLA@pw.lacounty.gov

For any questions about these Guidelines please contact us by phone at 833-ASK-SCWP (833-275-7297)
or through email at SafeCleanWaterLA@pw.lacounty.gov