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May 11, 2018

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County of Los Angeles
Kenneth Hahn Hall of Administration
500 West Temple St. Ste 383
Los Angeles, CA 90012

Re: Building Industry Association Comment Letter on the Safe, Clean Water (SCW) Program Draft Program Elements Document

Dear Supervisor Kuehl,

The Los Angeles/Ventura Chapter of the Building Industry Association of Southern California, Inc. (BIA), is a non-profit trade association of nearly 1,200 companies employing over 100,000 people affiliated with building and development. On behalf of our membership, we would like to propose our suggested comments related to the County's Safe, Clean Water (SCW) Program "Draft Program Elements" document.

Over the last several months, BIA has been actively engaged in countywide SCW Program stakeholder groups, and public outreach sessions. At each session attendees provided specific suggestions, shared concerns, and delivered examples of amenable policies. Unfortunately, it doesn't appear that this initial Draft Program Elements document takes into account many of the concerns and suggestions. Of particular concern are those centered around the priority level of a parcel tax for safe & clean water, and three of the program elements contained in the document; the "Purpose of the Draft Program Elements Document" section, the "Regional Program Governance Structure and Selection Process," and the "Tax Calculation and Collection Provisions."



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Priority Level of Parcel Tax for Safe & Clean Water

The BIA is supportive of parks, job training and greening of schools, but not at the expense of affordable and homeless housing. Most people polled today in LA County would probably agree that there is an affordable housing and homelessness crisis, but would probably not say the same thing about a safe and clean water crisis. Why is the County pursuing a Safe, Clean Water parcel tax now that includes parks, job training and greening of schools when the bigger need is for affordable and homeless housing funding? Additionally, in 2016 the County Board of Supervisors asked the voters to pass Measure A - Los Angeles County Parks and Open Space Parcel Tax. The County has already implemented a parcel tax to fund some of the elements outlined in the SCW Program proposal.

Purpose of the Draft Program Elements Document

The County has suggested the creation of two separate ordinances to establish the SCW Program. According to the SCW Program Draft Elements document, the first ordinance will be passed by the Los Angeles County Board of Supervisors as the proposition that will go to the voters. This first ordinance will establish the tax formula, expenditure plan, and any exemptions for the parcel tax. If voters pass the parcel tax, a second ordinance will be created to establish criteria and procedures to implement the Program. This second ordinance will not go to the voters, and could be refined over time based on the County's discretion.

We are very concerned that the County is asking Los Angeles County residents to vote on a tax to fund unknown infrastructure projects, without understanding the final project eligibility components, total revenue needs, or the entirety of the project selection processes. As drafted, there is not a time frame for how long the tax will be necessary for County stormwater investments. There is not a goal for specific project creation or educational outreach, and there is not any mention that there will be a sunset date for the SCW tax to either end or be extended. It seems unnecessary and inefficient to separate the ordinances and not pass them congruently. Ultimately, splitting the ordinances lacks transparency, and eliminates certainty for taxpayers. We suggest that these ordinances be passed simultaneously and with the aforementioned details better structured.

Regional Program Governance Structure and Selection Process

The SCW Program revenue is intended to increase water supply, improve water quality, and provide community investments. The latter of the three goals is emphasized throughout the Draft document. There is a consistent prioritization of the outlined community benefit goals, including the creation of parks, restoration of habitat and wetlands, improved public access to waterways providing enhanced or new recreational opportunities, and greening of schools. Positive enhancements to the environment and educational outreach is also reinforced through the mention of; improved public health, reduction of urban heat island effect, carbon reduction/sequestration, improved air quality,



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green waste reduction/diversion, and local workforce investment and job training. These community investments are all very laudable and important, but there is a serious disconnect related to the more tangible stormwater capture benefits, specifically related to water quality.

The project selection process is scaled on a project point basis, divided into four categories. The full capture of urban runoff, is weighed with as many points as a project providing a “community benefit” (not necessarily related to water quality). Reducing stormwater and urban runoff pollution is done to protect water quality, and should be weighted to reflect that enormity, especially when revenues are being derived from a stormwater funding mechanism.

Lastly, related to the structure of the project approval process, the system is extremely bureaucratic and difficult to follow. The document states that there will be a multipronged project evaluation process divided among nine Watershed Area Steering Committees, each consisting of 15 members, a Technical Committee made of County staff (potentially evaluating County projects), a Regional Oversight Committee, made up of 18 people (some duplicative), and numerous reviews from the five County Supervisors. This system is not streamlined, and will result in confusion, and delay in project completion and compliance mandates. BIA urges the Board to further review this process and create a more efficient and equitable system.

Tax Calculation and Collection Provisions

Currently, developers and builders face numerous stormwater capture regulations at the local, state and federal levels, including the Municipal Separate Storm Sewer System (MS4) permit process. In fulfilling these responsibilities, the building industry has been vigorously committed to stormwater capture and reuse, and the high standards of water quality maintenance that has been expected by the Regional Water Quality Control Board (RWQCB). The BIA would like their existing efforts to be considered in the creation of the SCW Program. Unfortunately, the Draft SCW Program document does not contain specific information on how a credit, incentive, and/or rebate program, would fit into the SCW tax structure. Other than the mention that it is still in the development process, this does not provide us with a clear understanding of what to anticipate.

Also of concern are the particular parcels that will be subject to the SCW Program tax. The SCW Program document asserts that taxes will only be collected from impermeable surfaces such as, pavement, concrete, or rooftops, which prevent the infiltration of stormwater and urban runoff into the ground. Many of the described impermeable surfaces may have built-in stormwater capture systems or treatment systems, or flow-through permeable surfaces that reduce the impacts of stormwater runoff. If the runoff from the impermeable surface is being properly treated and/or reduced effectively, the impermeable parcel tax should be calculated to account for this. Providing



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equity and consistency among regulations is the most appropriate way to determine the SCW Program's tax methodology.

We ask that the County review BIA's suggestions to better craft the Safe, Clean Water Program parcel tax before a final version is adopted. We look forward to continuing to work with the County as this Draft document is amended. Should you have any questions, please contact BIA-LAV Director of Government Affairs, Diana Coronado, at (213) 797-5965 or at dcoroando@bialav.org. Thank you for your consideration.

Sincerely,

Tim Piasky
Chief Executive Officer
BIA-Los Angeles/Ventura

CC: Mark Pestrella, Director of Los Angeles County Department of Public Works