

CITY OF SANTA CRUZ

Ballot Measure E

CLEAN RIVER, BEACHES AND OCEAN TAX **Answers to Frequently Asked Questions**

What is Measure E?

Measure E would establish a Clean River, Beaches and Ocean Special Parcel Tax to be collected from owners of taxable property parcels in the City of Santa Cruz. Measure E was placed on the November 4, 2008 ballot by the Santa Cruz City Council to create a dedicated source of funding to pay for water quality programs that will prevent pollution from reaching our waterways, beaches and the Monterey Bay National Marine Sanctuary.

Why is Measure E needed?

Dangerous bacteria, pesticides, toxic chemicals, oil and grease, trash and other pollutants are deposited on our beaches and into our creeks, river, bay and ocean through the City's storm drains. These pollutants are washed into the storm drains during both wet weather (rain events) and dry weather (runoff from over-irrigation, washing of sidewalks, vehicles, and business equipment, and draining of pools). These pollutants harm fish and wildlife, cause illness and infections for swimmers and surfers, and make beaches unsafe and unsightly for families and visitors.

Very strict pollution reduction laws for storm water runoff have been passed by the federal and state governments. The Regional Water Quality Control Board, the State agency responsible for enforcing these laws, requires the City of Santa Cruz to develop and implement programs to reduce and prevent water pollution from urban runoff. Measure E funds are needed to enable the City to comply with these mandates.

What types of projects and programs will Measure E pay for to keep harmful pollution out of our river, bay and ocean, and off our beaches?

The City plans to use Measure E funds to:

- Regularly clean City storm drain pipes and street inlets to keep trash and pollutants from reaching our waterways and beaches. The City has 50 miles of storm drain pipes and over 1,000 storm water inlets. Estimated annual cost: \$300,000
- Provide increased education and outreach activities to teach children, residents, businesses and visitors why and how to prevent water pollution. Changing human behaviors to prevent pollution is critical. The City plans to contract with local organizations to assist with education and outreach programs. Estimated annual cost: \$150,000
- Monitor water quality in our creeks and the San Lorenzo River and assess effectiveness of programs in meeting State standards. Estimated annual cost: \$100,000
- Increase inspections of construction projects and new developments to prevent polluted runoff, including erosion. Estimated annual cost: \$50,000
- Increase programs to reduce pollution by businesses and industry, such as the Green Business Certification Program. Estimated annual cost: \$25,000
- Repair, upgrade and construct improvements to the storm water collection system to prevent pollution from reaching waterways. This could include systems to divert highly polluted summer runoff to the wastewater treatment plant. Catch-basin filters or other engineered systems. Estimated annual cost: \$100,000

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What will my cost be if Measure E passes?

Property owners would pay:

- A flat \$28 per year for parcels with a single-family dwelling;
- \$94 per year for all other developed parcels;
- \$10 per year for undeveloped parcels.

Tax exempt parcels would not be charged.

Will the tax be applied retroactively?

No. If approved in November 2008, Measure E charges would first appear on tax statements that are issued to property owners in fall 2009, and the first payments would be due in December 2009.

How much money will Measure E raise?

Measure E will raise approximately \$625,000 per year in tax revenues from City of Santa Cruz property owners. There is no "sunset" date for the tax because the pollution prevention work that must be accomplished is a continuing responsibility for the citizens of Santa Cruz.

Can Measure E funds be diverted to other City programs or to other agencies?

Absolutely not. Measure E will be placed in a special Clean River, Beaches and Ocean Fund, and must be used exclusively for reducing and preventing water pollution and managing storm water runoff being created within Santa Cruz's boundaries.

An independent citizen's oversight committee will oversee how the Measure E funds are spent.

What department would manage the implementation of the projects funded through Measure E?

The City of Santa Cruz Public Works Department will be responsible for the implementation of the Storm Water Management Program and the expenditure of Measure E revenues on eligible programs and projects with approval and oversight by the City Manager, City Council and an independent citizen's oversight committee.

What happens if Measure E does not pass?

The City is required to comply with state clean water laws. Cities that do not comply with the Regional Water Quality Control Board's regulatory standards for pollution reduction may be fined up to \$10,000 per day and may be subject to legal action to force compliance. Without Measure E funds, cuts to other City services will be necessary to provide adequate funding to implement new mandatory requirements and bring the City into compliance with the pollution reduction regulations. City general fund revenues would need to be diverted from existing City services and programs to meet these mandates. 75% of the City's general fund revenues are used for police, fire and parks and recreation services. Because it is very difficult to make additional cutbacks to fire and police services, the parks, recreation and other community programs would most likely face cuts to provide funds to meet the storm water pollution prevention mandates.

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Doesn't the City already have a storm water fee? What is that money used for?

The City of Santa Cruz currently levies two storm water utility fees, which are billed via the county tax bills. One is a citywide fee on virtually all parcels which generates approximately \$565,000 per year. The other is a fee levied only on those parcels within the 100-year floodplain of the San Lorenzo River, which generates approximately \$310,000 per year. These are user fees, not property taxes, and rates are based on the estimated runoff from the parcel. These fees were established by the City in 1994. Single family parcels pay a flat fee of \$21.24 per year for the citywide fee and an additional \$87.86 per year if they are in the 100-year flood zone. Fees for other parcels vary based on land use and acreage. The fees cannot be increased without voter approval.

Almost half of the current storm water utility fees (about 46%) are used for debt payments on the bonds issued to raise the height of the San Lorenzo River levees and to replace the bridges over the San Lorenzo River. Although this work has been completed, the debt payments will continue until 2029. Annual costs to maintain and repair the river levees and flood control pumps along the river require over 30% of the current fees and these costs are increasing every year. The City has been using approximately \$150,000 per year of the current fees on storm water pollution prevention programs. The amount of funds that will be available for water pollution prevention from existing storm water fee revenues will decrease as ongoing river levee and river pump station maintenance and repair costs increase. Current storm water utility fee revenues are not adequate to meet the costs the City faces to implement programs and projects to reduce and prevent water pollution and comply with state and federal storm water regulations. In order to establish a dedicated and ongoing source of funding for these programs, Ballot Measure E is being put before the voters.

Where can I get more information about the City of Santa Cruz Storm Water Management Program and Measure E?

For more information on Measure E: <http://www.ci.santa-cruz.ca.us/cc/election/index.html>

For more information on the City of Santa Cruz Storm Water Management Plan:
<http://www.ci.santa-cruz.ca.us/pw/ep/stormwater.html>

Or contact: Mary Arman, Public Works Operations Manager, City of Santa Cruz Public Works Department, by phone: 831-420-5162 or email: pw-administration@ci.santa-cruz.ca.us