ERIC GARCETTI

Mayor

January 20, 2015

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MARCIE L. EDWARDS General Manager

The Honorable City Council c/o Office of the City Clerk Room 395, City Hall Mail Stop 160

Attention: Councilmember Felipe Fuentes

Chair, Energy and Environment Committee

Honorable Members:

Subject: Council File No. 14-1400 – Council Motion (Fuentes/Bonin) on Eligibility Requirements Associated with the "Cash-in-Your-Lawn" Program

This letter was prepared in response to Los Angeles City (City) Council Motion 14-1400 (Motion). The Motion requests the Los Angeles Department of Water and Power (LADWP) and the Metropolitan Water District of Southern California (MWD) report to City Council on the feasibility of modifying eligibility requirements associated with the "Cash-in-Your-Lawn" Program to allow customers with dying or dead lawns to receive the turf removal/modification rebates.

## BACKGROUND

California's Water Year 2014, which ended September 30, 2014, was one of the driest in precipitation on record. Per the California Department of Water Resources (DWR), the State received less than 60 percent of average precipitation, and after three years of drought conditions, the State's major reservoirs are at about 36 percent of capacity. DWR Director Mark Cowin stated: "The immediate certainty is that day-to-day conservation -- wise, sparing use of water - is essential as we face the possibility of a fourth dry winter."

The City has been a leader in water use efficiency and conservation for nearly 40 years. LADWP's Water Conservation Program began in 1977 and has achieved over 110,000 acre-feet per year of savings through rebate and incentive programs. This success with conservation has kept water demand flat despite a population increase of one million. The City will continue to lead the statewide effort to conserve water as it works to comply with a new goal set by Executive Directive No. 5 (ED5) issued by Mayor Garcetti on October 14, 2014, to reduce per capita potable water use by 20 percent by 2017.

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LADWP is currently focusing its efforts on the Water Conservation Technical Assistance Program, which provides businesses with customized conservation plans and on the California Friendly Landscape Incentive Program for residential and commercial customers, which is also called the "Cash-in-Your-Lawn" program. Because 40 to 60 percent of residential water use is outdoors, LADWP sees a high-conservation potential in replacing turf lawns with California Friendly plants.

## CALIFORNIA FRIENDLY LANDSCAPE INCENTIVE PROGRAM

LADWP collaborates with MWD on various water conservation incentives, including the "Cash-in-Your-Lawn" program. As required by ED5, LADWP increased the turf replacement incentive from \$3 to \$3.75 per square-foot of turf removed and replaced with low-water-using plants, mulch, permeable hardscapes, and artificial turf. Since LADWP implemented this program in 2009, more than 9 million square-feet of turf have been replaced, resulting in over 300 million gallons (920 acre-feet) of water saved.

In October 2014, LADWP met with MWD to discuss this program and its application in cases where the turf grass being replaced is dead or dying. As stated in the Motion, many residents have already significantly reduced or eliminated outdoor watering to the point that their lawns may not recover or may need to be reseeded. LADWP and MWD agree that these conscientious customers should be eligible for this rebate program.

As a result, LADWP and MWD have made the necessary changes in the program to allow customer's with dead or dying lawns to receive a rebate. In order to be eligible for a rebate, a customer must replace turf grass with California Friendly plants or other qualifying materials. However, the grass does not have to be healthy and green. In cases where the existence of the lawn is in question, LADWP staff conducting site inspections can also review a customer's bills to determine that grass was historically watered.

## CONCLUSION

In response to the ongoing drought conditions, LADWP and MWD have modified the "Cash-in-Your-Lawn" program to allow customer's with dead or dying lawns to participate in this program. The success of this program will continue to educate and support local water sustainability by Angelenos.

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If you have any questions or if further information is required, please call me at (213) 367-1338, or have your staff contact Ms. Winifred J. Yancy, Director of Intergovernmental Affairs and Community Relations, at (213) 367-0025.

Sincerely,

Marcie L. Edwards General Manager

PMF:yrg/ar

c: Councilmember Bob Blumenfield, Vice-Chair, Energy and Environment Committee Councilmember Tom LaBonge, Member Councilmember Jose Huizar, Member Councilmember Paul Koretz, Member Mr. Adam Lid, Legislative Assistant

Ms. Winifred J. Yancy

## MOTION

Outdoor irrigation makes up 60 percent of the average residential customer's water usage, according to the Metropolitan Water District (MWD).

In an effort to encourage City residents to remove their water-consuming lawns and replace them with drought-tolerant landscaping, the MWD, in conjunction with the Los Angeles Department of Water and Power (DWP), administers the "Cash-In-Your-Lawn" Program. This Program currently offers residential customers \$3 for every square foot of turf removed.

In order to be eligible for the rebate, customers must show that they have grass and that they plan to remove it.

However, many City residents, in an effort to conserve water during the drought, have already reduced or eliminated outdoor irrigation and may no longer have a lawn. Under the current Program guidelines, these residents are not eligible for a rebate because of their inability to document the existence of a lawn.

Such customers should be eligible for a rebate, particularly if they have a lawn irrigation system in place. Residents who may not currently be watering their lawns may return to re-growing and watering them when drought conditions improve. In the event a property changes ownership, the new owner may seek to replace a dead lawn with new turf instead of converting it to drought-tolerant landscaping.

The "Cash-In-Your-Lawn" Program should aim to reduce future water consumption by targeting all lawns with irrigation systems — whether green or not. In this manner, the City and region's water conservation objectives can be effectively met.

I THEREFORE MOVE that the Department of Water and Power and Metropolitan Water District be requested to report to the Council in 30 days on the feasibility of modifying eligibility requirements associated with the "Cash-In-Your-Lawn" Program to allow customers with dying or dead lawns to receive the turf removal/modification rebates.

PRESENTED BY:

**FELIPE FUENTES** 

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Councilmember, 7th District

MIKE BONIN

Councilmember, 11th District

SECONDED BY: