

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE
REPORT relative to the Sewer Connection Financial Assistance Program (SCFAP).

Recommendations for Council action:

1. INSTRUCT the Bureau of Sanitation (BOS) to develop revised Rules and Regulations for the Administration of the Sewer Connection Financial Assistance Program to reflect the Rebate Program and to implement this program.
2. INSTRUCT the BOS to enter into a licensing agreement with Service Line Warranties of America for a Private Sewer Laterals Warranty Protection Program.
3. INSTRUCT the BOS to notify customers about the California Property Assessed Clean Energy program through its website, social media, and direct mailings to customers.
4. REQUEST the City Attorney to prepare and present an Ordinance, to make any modifications to the Los Angeles Municipal Code required to implement these programs.

Fiscal Impact Statement: None submitted by the BOS. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY:

At the meeting held on October 2, 2018, the Energy, Climate Change and Environmental Justice Committee considered a BOS report relative to the SCFAP

According to the BOS report, over the years, BOS has received many requests from residents to provide financial assistance to abandon their septic tanks and connect to an available BOS sewer and from residents who need to repair the sewer lateral that connects their property to the BOS sewer. Properties that are not connected to the sewer use On-site Wastewater Treatment Systems (OWTS, also known as septic tanks). Many OWTS are at high risk of structural failure, which can lead to groundwater contamination and sewage spills. In 2011, as a part of a sewer fee rate adjustment, the City Council, with the Mayor's concurrence, authorized the use of one half of one percent (0.5%) of the approved annual sewer service charge rate adjustments for the period from April 6, 2012 to June 30, 2016 as the seed money for a Sewer Connection Financial Assistance Program (SCFAP)

The BOS report further states that SCFAP was intended to make low-interest loans to property owners using the seed money and fund new loans from loan repayments. The repayment for the SCFAP loan was envisioned to be collected through the County property tax bill and deposited back to provide funding for future SCFAP financial assistance.

After providing an opportunity for public comment, the Committee approved the recommendations on the BOS report relative to the SCFAP, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,



ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ	YES
KORETZ	ABSENT
KREKORIAN	YES
CEDILLO	YES
O'FARRELL	YES

LC 10/02/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-