

**CITY OF SAN MATEO  
RESOLUTION NO. \_\_\_\_ (2023)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MATEO  
DECLARING ITS INTENTION TO INITIATE A PROCEEDING TO OBTAIN  
APPROVAL OF THE CITY'S STORMWATER FEE, A PROPERTY-RELATED FEE  
CONFORMING TO ARTICLE XIII D, SECTION 6 OF THE STATE CONSTITUTION**

WHEREAS, the City of San Mateo ("City") is initiating the Stormwater Fee Initiative; and

WHEREAS, the City maintains and manages a municipal storm drainage system that includes capital improvements, maintenance and operations, and activities to ensure compliance with all state and federal regulations associated with the National Pollutant Discharge Elimination System ("NPDES"); and

WHEREAS, the City's comprehensive storm drainage system includes man-made drainage elements such as curbs and gutters, ditches, culverts, pipelines, manholes, catch basins (inlets), and outfall structures in addition to the City's natural creek system and Marina Lagoon that serves as an integral part of the system ("Facilities"); and

WHEREAS, the City, through its storm drainage system, provides stormwater services ("Services") that include, but are not limited to, collecting, conveying, and managing stormwater runoff from properties within the City; and

WHEREAS, the City does not have adequate funding to pay for all of its storm drainage system needs, and in order to finance these needs the City would need to enact the Stormwater Fee in compliance with Article XIII D of the Constitution, which would require a ballot proceeding; and

WHEREAS, the City Council authorized SCI Consulting Group to perform a rate study and draft a Stormwater Fee Report ("Fee Report") to determine the amount of the fees on various parcels of land that would, in compliance with Article XIII D of the Constitution, finance certain capital improvements, operations and maintenance needs and NPDES clean water compliance needs.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN MATEO  
HEREBY RESOLVES AS FOLLOWS:**

Section 1. **Intention to Seek Approval of a Property Related Fee.** The City intends to seek property owner approval of a proposed property related fee to fund the Services ("Stormwater Fee"), pursuant to Article XIII D, Section 6 of the California Constitution.

Section 2. **Fee Study.** SCI Consulting Group has prepared and submitted to the City a Fee Report concerning the proposed Stormwater Fee. The Fee Study report has been made, filed with the City, and duly considered by the City Council, and is hereby deemed sufficient and approved. The Fee Study shall stand as the Fee Study for all subsequent proceedings under and pursuant to this Resolution. Reference is hereby made to the Fee Study for the following: (a) a description of the

Services; (b) the identification of the parcels upon which the stormwater Fee is proposed; (c) the proportional cost of the Services attributable to each parcel; (d) the amount of the Fee proposed for each parcel; and (e) the basis upon which the amount of the proposed Fee was calculated.

Section 3. **Total Amount of Stormwater Fee.** The amount of the proposed Stormwater Fee, if approved, that would be collected in Fiscal Year 2024-25 would be approximately \$4.0 million.

Section 4. **Stormwater Capital Improvements and Services.** The proposed Stormwater Fee will provide funds for capital improvements, operations, and maintenance activities as outlined in the Fee Report, as well as activities to help ensure City compliance with all state and federal clean water requirements under the National Pollutant Discharge Elimination System permits issued by the San Francisco Bay Regional Water Quality Control Board.

Section 5. **Public Hearing.** A noticed public hearing shall be held before this Council at the City Council chambers at 330 West 20th Avenue, San Mateo, CA 94403, and is tentatively planned on October 16, 2023, at 7:00 p.m. for the purpose of conducting a hearing and to consider all protests of property owners regarding the proposed Stormwater Fee and this Council's determination whether the public interest, convenience and necessity require the Facilities and Services. The date set forth above for the public hearing may be delayed without returning for additional approval by the Council, provided that such date is not less than forty-five (45) days after the mailing of the notice required and described in Section 6 below.

Section 6. **Notice of Public Hearing.** The City Clerk is hereby directed to cause a notice of the hearing ordered hereof ("Notice") to be given in accordance with law by mailing, postage prepaid in the United States mail, and such Notice shall be deemed to have been given when so deposited in the mail. The Notice shall be mailed to all record owners, who shall be those persons whose names and addresses appear on the last equalized secured property tax assessment roll for the County of San Mateo, or in the case of any public entity, the representative of such public entity at the address thereof known to the City Clerk or SCI Consulting Group. The Notice shall be mailed not less than forty-five (45) days before the date of the public hearing.

Section 7. **Majority Protest.** If written protests against the proposed Stormwater Fee are presented to the Council by a majority of owners of the identified parcels before the end of the public hearing, the Fee shall not be imposed. Otherwise, this Council may authorize the City to proceed with a property owner ballot proceeding.

Section 8. **Description of the Proposed Stormwater Fee.** Information regarding the Stormwater Fee, including but not limited to the amount of the Fee proposed to be imposed upon each parcel, the basis upon which the amount of the proposed Fee was calculated, the reason for the Fee, and other elements of the Fee shall be described in the Fee Report, Notice of Public Hearing, Ballot Guide and/or Ballot.

Section 9. **Fiscal Controls.** All revenues received from the proposed Stormwater Fee shall be spent only to fund the Facilities and Services. Stormwater Fee revenues received will be deposited into a separate account or fund.

Section 10. **Cost-of-Living Adjustment Mechanism.** If approved by property owners, the Stormwater Fee shall be imposed annually. The maximum rate of the Stormwater Fee may be

adjusted in future years by an amount equal to the annual change in the San Francisco-Oakland-Hayward Consumer Price Index (“CPI”) for All Urban Consumers, not to exceed 3% (three percent) per year without a further vote or balloting process, and any excess CPI may be “banked” to be used in future years when the CPI is less than 3%.