FUNDING FOR FLOOD CONTROL

A COMPREHENSIVE OVERVIEW OF FUNDING OPPORTUNITIES FOR FLOOD CONTROL IN CALIFORNIA
Welcome

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SCI Consulting Group
(707) 430-4300
Housekeeping

Engage and Learn

- Ask a question, get a piece of candy
- Answer a trivia question, get a piece of candy
- Pay attention, get a piece of candy
Agenda

1. Introductions
2. Funding Approaches
3. Community Outreach
4. Case Studies
5. Next Steps
Self Introductions

- If your District is... (Raise your hand)
  - Reclamation District
  - Flood Control Agency
  - City or County
  - Other Public Agency
  - Private Frim
  - Other
California Trivia #1

Who are the 2 real Californians?
Overview of Funding Mechanisms

Current Common Funding Mechanisms
- Ad Valorem Taxes (property taxes)
- Grants, Subventions, Loans
- Existing Funding Sources
- Other Sources

- Special Taxes
- Bond Measures
- Benefit Assessments
- Property Related Fees
Overview of Funding Mechanisms 2

Balloting Required...and you gotta pay!

1. **Special Taxes**
   - 2/3 majority of register voters

2. **Bond Measures**
   - 2/3 majority of register voters – for Capital Improvements only

3. **Benefit Assessments**
   - 50% majority of property owners- weighted

4. **Property Related Fees**
   - 50% majority of property owners- unweighted – for Internal Drainage only
1. Special Taxes

- Well Known, Flexible, Predictable
- Least Expensive to Implement
- Polling Place or Mailed
- Special Taxes – Public Agency (66.7% threshold)

n/a for Special Districts

2/3 majority of register voters

50% if Upland Tax
2. Bond Measures

- Well Known
- Polling Place or Mailed
- For Capital Improvement only
- Significant Financing Advantage

2/3 majority of register voters
A Little Math....

Balloted Approaches continued...

- Simple Majority versus 2/3 Super-Majority

<table>
<thead>
<tr>
<th>Votes</th>
<th>Yes</th>
<th>No</th>
<th>Support %</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>100</td>
<td></td>
<td>50.25%</td>
</tr>
<tr>
<td>200</td>
<td>100</td>
<td></td>
<td>66.67%</td>
</tr>
</tbody>
</table>

Much harder!
California Trivia #2

Which 2 governments never flew a flag over California?

- Russia
- United States of America
- Confederate States of America
- France
- Mexico
- England
- Spain
- Bear Flag Republic
- Argentina

http://www.loeser.us/flags/california.html
https://cherylanneapp.com/flags-california-3/
3. Benefit Assessments

- Most Common for Flood Control
- Mailed Ballot
- Legal Considerations
- Property Owners Get to Vote in Proportion

50% majority of property owners- weighted
3. Property-Related Fees

- Not Common for Flood Control
- Mailed Ballot
- Legal Considerations
- Internal Drainage only
- Property Owners Get to Vote

50% majority of property owners – unweighted – typically for Internal Drainage only

What about SB 231?
Overview of Funding Mechanisms - Redux

Balloting Required...and you gotta pay!

1. **Special Taxes**
   - 2/3 majority of register voters

2. **Bond Measures**
   - 2/3 majority of register voters – for Capital Improvements only

3. **Benefit Assessments**
   - 50% majority of property owners- weighted

4. **Property Related Fees**
   - 50% majority of property owners- unweighted – for Internal Drainage only
California Trivia #3

Which incorporated California city has the smallest population (112 in 2010)?

- Amador City
- Dorris
- Etna
- Fort Jones
- Industry
- Isleton
- Loyalton
- Point Arena
- Sand City
- Tehama
- Trinidad
- Vernon

(In 2017, residents rejected the tax increase by a margin of nine votes, with 23 voting no, and only 14 voting in favor)
Changing Face of Community Outreach

Local and personal
Rigorous and Detailed
Credible, not slick...

Example:
“Protection of life and property against major local flooding”

versus

“Provide funding for the District to raise the flood protection on Bethel Island from the HMP flood protection standard to the desired PL 84-99 flood protection standard.”
Two Questions

1. Do I want the service?
2. Will this Agency spend my money responsibly?

☐ And how exactly are they going to spend it?
☐ Oh...and I don’t believe you...
PROPOSED BALLOT ASSESSMENT FOR ENHANCED LEVEE AND FLOOD CONTROL FACILITIES MAINTENANCE AND REPAIR, AND MAJOR LEVEE IMPROVEMENT PROJECTS

Bethel Island Municipal Improvement District

The Bethel Island Municipal Improvement District (BIMID) is proposing an Assessment District, to be decided upon by property owners, to better enable BIMID to finance needed levee, flood control, and drainage system improvements over time. Below is information about the maintenance, repairs and major improvements to be completed if the Assessment is approved.

Bethel Island Municipal Improvement District

BIMID is an independent special district that is responsible for the maintenance, operation and improvement of the levees, and the drainage and flood protection systems on Bethel Island. BIMID is governed by 5 elected Board members and receives baseline operational funding from a very small portion of Property Taxes. Since it was created in 1960, BIMID has protected life and property on our island from potential flooding from the Sacramento and San Joaquin Rivers. BIMID’s facilities include 11.5 miles of levee, 2 pumping stations, internal drainage canals and ditches and other drainage facilities.

Why Is a Ballot Measure being Proposed?

Without ongoing enhancement and improvements, the flood protection levee system that surrounds Bethel Island is not sufficient to adequately protect against potentially serious breach and flooding. While ongoing levee maintenance by the District somewhat mitigates the level of levee degradation, an ongoing program of critical levee improvement projects and upgrades are needed to ensure that residents, businesses and properties receive the highest level of protection from flooding.

Economic conditions over the last 6 years have resulted in severe financial hardship for the District due to a loss of over 30% of its Property Tax revenue, its primary funding source (from $543,371 in FY 2008-09 to only $375,000)

Significant Potential Grant Funding From The State

There are substantial funding opportunities available through the State of California Department of Water Resources (DWR) to BIMID. In order to qualify for these grants however, DWR normally requires that BIMID pay a local share of the costs, which could be as much as 25%. BIMID plans to engage in a multi-year, $20 million rehabilitation program ($12 million for the current Five Year Plan alone) and the State is willing to invest millions of dollars needed for such levee improvement projects, but only if the District is able to provide its required local share percentage.

For example, in early 2014, BIMID qualified for a grant to raise a pump station above the flood plain, but lost the grant due to its inability to fund the local share. Qualifying for DWR funding remains an extremely competitive process, so it is important that BIMID does not miss out on funding opportunities in the future. Additional funding from this measure will enable BIMID to again be better able to leverage the millions of dollars it needs from the State to better keep up with repair, improvement, and substantial upgrades of our levee system in the years ahead. This includes qualifying for the highly significant and long awaited $3.2 million Horseshoe Bend Project that has just been approved by DWR at 94% State funding (therefore requiring a 6% local share, or $210,000 direct cost to BIMID).

Property Tax Revenue (2008 - 2014)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>543,371</td>
</tr>
<tr>
<td>2009-10</td>
<td>375,000</td>
</tr>
<tr>
<td>2010-11</td>
<td></td>
</tr>
<tr>
<td>2011-12</td>
<td></td>
</tr>
<tr>
<td>2012-13</td>
<td></td>
</tr>
<tr>
<td>2013-14</td>
<td></td>
</tr>
</tbody>
</table>
Current Levee Status:
The Bethel Island levee system differs in a critical way from traditional flood control levees across the State. Typical flood control levees are designed to only hold back water during flood events. However, the Bethel Island levee retains water year-round, operating more as a dam than a flood control levee. As a result, the levee is subject to an increased risk of breeches, seepage, and flooding (see Figure 2). According to the 2007 Geotechnical Levee Investigation Study, the levee does not provide an acceptable level of safety and reliability based on generally accepted standards. Due to higher levels of scouring, erosion and weathering, it is important that the levee receives regular maintenance and major levee improvements over time.

Figure 3 compares the level of service needed to maintain a sustainable levee system and the funding that is currently available. As it now stands, funding is only available for baseline services and minor repairs, which is not enough to keep the levee from deteriorating. The structural integrity of the Bethel Island levee system and its ability to protect Island residents, property, and public facilities is at stake if improvements and critical upgrades are not made on a regular year to year basis over time.

What Services Will Be Funded:
The measure would provide funding for the following:

Enhanced Baseline Flood Protection Services:
- Maintenance and operation of pump stations and drainage facilities to prevent local flooding.
  - Routine maintenance of internal drainage ditches and canals and ensuring they are free of clogs and debris.
- Increased frequency and thoroughness of levee inspection and flood monitoring.
  - Inspection of levee for signs of erosion, seepage, boils, rodent infestation and other structural deficiencies.
  - Continued winter watch levee patrols.
- Vegetation management in non-residential use areas and code enforcement.
- Emergency Evacuation and Response Plan.

Minor Levee Repairs and Maintenance:
- Repair and restoration of waterside slope protection.
Community Outreach - 3

**Execute your Community Outreach**

Official Ballot Language

“Endorsed” Personal Contact & Word of Mouth Strategy

- E-mail lists, nextdoor.com, Facebook groups
- Community Meetings (how to manage)
- Door to door
- Phone Banking
- Mailers and Signs

Media Management

Community & Stakeholder Groups

Local Staff and “Electeds”
Community Outreach - 4

**Media/Social Media Management**

Local Newspapers

E-mail lists, nextdoor.com, Facebook groups

Provide consistent content

   Successes…and failures
   About your services and facilities
   How your services and facilities have benefited the community
   Profiles of your facilities
   Profiles of the services / programs you offer
   History of your District
Districts May Educate, not Advocate

- Cannot spend public funds on ballot measure advocacy.
  - District can take a formal position by resolution.
  - Prohibited from engaging in express advocacy.
    - No public funds for campaign materials (posters, ads, etc.)
  - Communication may also be advocacy depending on the “style, tenor and timing.”
- Neutral, fact-based information is not advocacy.
- Caution – improper use of public funds is a crime.
California Trivia #4

What California professional basketball team won the NBA Championship in:

- 2015?
- 2017?
- 2018?
CASE STUDY #1

BETHELM ISLAND
California Delta Islands
Bethel Island Municipal Improvement District

- Established in 1960
- 11.5 miles of Levees
- Protects Island from flooding from the Sacramento and San Joaquin Rivers
Why Funding is Needed?

- 2007 Geotechnical Levee Study concluded levee system “falls short of providing a generally acceptable level of safety and reliability”
- $20 million in improvements to reach PL 84-99 standards
- Minimal maintenance and staff
- 2008 recession
- Limited budget
- No additional funding through assessment or tax in 55 years of operation
Additional Funding Would Provide

- Continued and enhanced year-round maintenance
- Minor levee repairs and maintenance
- Raise levees to the PL 84-99 standard
- Fund local share requirements for DWR grant funding for major levee improvement projects
## Draft Rates

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Typical One Story House</td>
<td>$132.69</td>
</tr>
<tr>
<td>Typical Two Story House</td>
<td>$110.00</td>
</tr>
<tr>
<td>Typical House on Stilts</td>
<td>$102.66</td>
</tr>
<tr>
<td>Typical Vacant Lot</td>
<td>$89.70</td>
</tr>
<tr>
<td>Typical Commercial</td>
<td>$144.75</td>
</tr>
<tr>
<td>Typical Ag (10 Acres)</td>
<td>$149.38</td>
</tr>
<tr>
<td>Delta Cove Vacant</td>
<td>$49.31</td>
</tr>
<tr>
<td>Delta Cove Built One Story</td>
<td>$62.27</td>
</tr>
</tbody>
</table>

- **Total Revenue = $213,947 per year**
Outreach, Outreach, Outreach!

- Hands-on approach to enhance transparency and encourage public participation
  - No formal survey conducted
  - Pre-ballot informational mailing packet
  - Spoke to large property owners
  - Held four community meetings to engage and educate the community – very successful
Informational Mailer Packet

- Letter to property owner
- Engineer’s Report summary
- Informational handout
- Invitation to Community Meeting
Community Meetings

- District assembled a team of experts to provide financial, engineering, and political advice
- Effort to engage and educate community
- Opportunity for public input and to questions
- Offer suggestions for revisions to certain components of the assessment
Hard Work Pays Off!!

- The hands-on, informative and transparent approach to community outreach proved to be extremely effective.
  - The assessment passed with 68.27% weighted support. 66.03% of property owners who voted were in favor of the assessment.
The California gold rush began when the first traces of gold were discovered on the American River near Coloma on January 24, 1848. Who found those first gold flakes?

Bandits preyed on gold miners from the very beginning. Legend has it that one of the most famous, an ex-gold miner, held up 28 stagecoaches from 1875 to 1883 with an unloaded gun and always said "Please" when taking people's belongings. Who was this famous bandit?

Who found gold and invented a jeans company?

Along what "trails" did many people came to California?

CASE STUDY #2
CITY OF SAN MATEO

September 4, 2018  FMA Annual Conference 2018
I. The Challenge
Flood Insurance Costs!

- FEMA re-mapping is resulting in thousands of Bay Area parcels being added to the FIRMs

  - Flood Insurance Requirements
    - $ Millions is leaving the California
      - ($509 - $2,766 /yr: Building & Contents for Residential)
    - Real Estate transactions are impeded
    - Flood risks still exist
    - Unhappy residents

  - Limitations on Development
I. The City of San Mateo:
The South Bayfront Levee and Flood Control Facilities

- July 2009
- $7.5 million of improvements at 4 locations
- FEMA agreed to remove affected parcels from FIRM if improvements were installed...well almost all.
- Over affected 8,000 parcels
CITY OF SAN MATEO

BAYFRONT LEVEE IMPROVEMENTS
SAN MATEO CREEK TO FOSTER CITY LIMITS

CITY OF SAN MATEO, SAN MATEO COUNTY, CALIFORNIA
- **Zone A**: Tidal Flooding
- **Zone B**: Tidal Flooding + Residual Flooding
- **37% Benefit**
I. Revenue Mechanism
Let’s review: Available Flood Control Revenue Mechanisms

**Commonly Used**
- General Fund
- Existing Fees
- Federal and State Grants, etc.

**For Any New Development Projects**
- Developer Impact Fees
- Developer Formed Community Facilities Districts/Benefit Assessments

**Dedicated Local Revenue Mechanisms and Prop 13/218**
- Balloted Approaches
  - Benefit Assessment (Property Owner – 50% threshold)
  - Special Tax (Registered Voter – 66.7% threshold)
The Basic “Assessment” Process

1. Conduct Survey
2. Develop Engineer’s Report
3. Mail Notice & Ballot (45 Days)
4. Hold Public Hearing
5. Tabulate Ballots: 50% Threshold
## Fee Methodology

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Zone A Rate</th>
<th>Zone B Rate</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Residential &lt;=1,500 sqft</td>
<td>$76.42</td>
<td>$28.28</td>
<td>per acre</td>
</tr>
<tr>
<td>Single Family Residential &gt;1,500 sqft &amp; &lt; 3,000 sqft</td>
<td>$89.41</td>
<td>$33.08</td>
<td>per acre</td>
</tr>
<tr>
<td>Single Family Residential &gt;3,000 sqft</td>
<td>$103.17</td>
<td>$38.17</td>
<td>per acre</td>
</tr>
<tr>
<td>Condo &lt;1,000 sqft</td>
<td>$45.09</td>
<td>$16.68</td>
<td>per acre</td>
</tr>
<tr>
<td>Condo &gt;1,000 sqft</td>
<td>$61.90</td>
<td>$22.90</td>
<td>per acre</td>
</tr>
<tr>
<td>Multi Family</td>
<td>$69.54</td>
<td>$25.73</td>
<td>per acre</td>
</tr>
<tr>
<td>Commercial/Industrial</td>
<td>$77.95</td>
<td>$28.84</td>
<td>per acre</td>
</tr>
<tr>
<td>Office</td>
<td>$255.25</td>
<td>$94.44</td>
<td>per acre</td>
</tr>
<tr>
<td>Storage, Parking Lot</td>
<td>$45.85</td>
<td>$16.97</td>
<td>per acre</td>
</tr>
<tr>
<td>Vacant</td>
<td>$10.70</td>
<td>$3.96</td>
<td>each</td>
</tr>
<tr>
<td>Agriculture</td>
<td>$10.70</td>
<td>$3.96</td>
<td>per acre</td>
</tr>
</tbody>
</table>
Public Hearing
A public hearing will be held Monday, June 15, 2009, at 7 p.m. at the City Council Chambers, City of San Mateo, 330 West 20th Avenue, San Mateo, California, 94403. You are invited to attend the public hearing.

Tabulation of the returned ballots will commence after the close of the public input portion of the hearing. The results of the tabulation are expected to be announced at the City of San Mateo City Council Meeting on July 13, 2009.

Method of Voting
To complete the enclosed ballot, mark the oval next to either “Yes” or “No,” sign the ballot, place it in the provided postage-paid return envelope and seal or hand deliver it to:

City Clerk’s Office
City of San Mateo
330 West 20th Avenue
San Mateo, CA 94403

Only official ballots that are signed and marked with the property owner’s support or opposition and are received before the end of the public input portion of the public hearing on Monday June 15, 2009, will be counted.

If you lose your ballot, require a replacement ballot, or want to change your vote, call (650) 522-7327 for another ballot. See the enclosed ballot for additional instructions.

Ballots are weighted by the amount of the proposed assessment and will be tabulated accordingly. The assessment shall not be imposed if, upon conclusion of the public hearing, weighted ballots submitted in opposition of the assessment exceed the weighted ballots submitted in favor of the assessment. If a majority of weighted ballots returned are in support, the assessment may be levied for fiscal year 2009-10 and would be continued in future years to fund repayment of capital costs of the South Bayfront Levee and flood control facilities.

Public Accountability Safeguards
If approved by property owners, the funds from this assessment can only be used for levee and flood control improvements that benefit properties in the assessment area. The funds cannot be used for other purposes. The revenues and expenditures will be regularly audited by an independent auditor and the results presented annually at a public meeting.

Assessment Ballot Confidentiality
The California Government Code requires that assessment ballots be signed by property owners. However, property owner names and corresponding votes will remain strictly confidential, except as necessary to count the votes or as may be required by California law.

Additional Information
For additional information concerning the proposed assessment, please contact:

Tricia Toomey, Public Outreach Coordinator
City of San Mateo
330 West 20th Avenue
San Mateo, CA 94403
(650) 522-7327
ittoomey@cityofsanmateo.org
http://www.cityofsanmateo.org

Please Complete Your Ballot and Mail It Back Promptly
All Ballots Must Be Received On or Before June 15, 2009 To Be Counted

Official Notice And Ballot Information Guide City of San Mateo South Bayfront Levee & Flood Control Facilities Assessment

Why Did You Receive This Ballot?
Property owners with properties subject to tidal flooding are being asked to vote on a proposed funding measure for construction of the South Bayfront Levee Improvements. The South Bayfront Levee Improvements would provide significantly improved flood control protection to these properties. Please read the following information and then complete the enclosed ballot.

Your vote on this matter is important. Only returned ballots will be counted. Your ballot is your opportunity to participate in deciding whether local funding should be approved for construction of the proposed South Bayfront Levee Improvements.

Why is a Funding Measure Needed?
The City of San Mateo is working to improve the local flood control system. This system protects local properties from tidal flooding caused by major storm surges and high tides, along the San Francisco Bay shoreline. Since 2001, the City of San Mateo and Caltrans have funded and completed almost $17 million of flood control improvements to protect the City. However, even with this recent investment in local flood control, there are still critical portions of the system that do not meet current FEMA flood control standards. This measure would provide the additional funds needed to complete the construction of the South Bayfront Levee Improvements, and these improvements would provide better protection to local property from tidal flooding.

What is the Special Flood Hazard Area?
A Special Flood Hazard Area is defined by FEMA as a high-risk area in which flood would be inundated by a flood having a 1-percent chance of occurring in any given year. Owners of properties within a Special Flood Hazard Area are:

1) Required to purchase flood insurance if they have federally-backed mortgages.
2) Required to make significant improvements to their properties prior to any development or major renovation, including raising the elevation of the property above the base flood level.

FEMA is responsible for creating and updating maps which indicate Special Flood Hazard Areas within flood-prone communities throughout the United States. FEMA is developing a revised map scheduled for adoption in 2010, which potentially includes over 8,000 San Mateo parcels within the Special Flood Hazard Area.

Potential Removal from the Special Flood Hazard Area
Completion of the South Bayfront Levee Improvements would bring the City of San Mateo flood control system up to FEMA standards for your community. FEMA has agreed to remove most properties, designated as Zone A in the map on the next page, from the Special Flood Hazard Area upon completion of the improvements.

Properties within Zone B in the map on the next page would still be included within the Special Flood Hazard Area, due to their susceptibility to another type of flooding, called “Stormwater Flooding.”

East End Levee Shoreline Park

Please Complete Your Ballot and Mail It Back Promptly
All Ballots Must Be Received On or Before June 15, 2009 To Be Counted
Official Notice and Ballot Information Guide
City of San Mateo
South Bayfront Levee and Flood Control Facilities Assessment

How was the Assessment Determined?
The total annual cost of the improvements to be funded by the assessment is allocated to each property based on the estimated special benefit received. The proposed assessment area was divided into two zones, properties subject to tidal flooding only (Zone A) and properties subject to tidal and stormwater flooding (Zone B). The benefit to each parcel of property was estimated based on the property type, the size of the property and the zone in which the property is located.

An Engineer’s Report describing the proposed improvements, method of assessment, budget, total assessment duration, and the proposed assessment for each parcel is available for review from the Department of Public Works of the City of San Mateo, 330 West 20th Avenue, San Mateo, CA 94403 or see our website: http://www.cityofsanmateo.org.

How Much is the Proposed Assessment?
The proposed annual assessment for your property is printed on the Official Ballot included with this notice and information guide. For single family homes 1,500 square feet or less, the proposed rates for fiscal year 2009-10 are:

<table>
<thead>
<tr>
<th>Zone</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$76.42</td>
</tr>
<tr>
<td>B</td>
<td>$39.28</td>
</tr>
</tbody>
</table>

Multi-family, commercial, industrial, and other property types are assessed according to their parcel size and property type. If the measure is approved, the total estimated amount that would be raised for fiscal year 2009-10 is approximately $551,803. It is anticipated that the assessment shall be levied for 20 years, and the total amount that would be raised by the assessment over 20 years is approximately $11,037,260 ($7.5 million construction cost plus loan interest) plus a potential Consumer Price Index increase modification.

For property owners with multiple properties, the proposed assessment for each parcel along with the assessor’s parcel number (APN) is shown on the ballot.

Will the Assessment Increase in the Future?
If the assessment is approved by property owners, it can only be increased in future years by the consumer price index, not to exceed 4 percent, in any one year. The annual adjustment would be based on the US Department of Labor’s Consumer Price Index for Northern California (San Francisco Bay Area) and would be reviewed and potentially approved each year at a public meeting.

Project Schedule and Costs
The design and permitting of the South Bayfront Levee Improvements are scheduled to be completed within the next 6 months. If the proposed assessment is approved, construction of the levee improvements is scheduled to begin during the Fall of 2009 and is scheduled for completion by late 2010. The estimated project cost is $7.5 million dollars.

The South Bayfront Levee Improvements
There are four critical projects that are required by FEMA in order to revise the local Flood Insurance Rate Map and recast specific San Mateo properties out of the Special Flood Hazard Area. These projects are spread along over one mile of shoreline and include:

- Structural floodwall construction at the mouth of San Mateo Creek
- Structural floodwall construction near Detroit Drive
- Levee reconstruction from Marina Lagoon to Foster City limits
- Earthwork to improve protection at the mouth of Marina Creek

What this Measure Would Provide
If approved by property owners, the proposed assessment would provide funding for construction of the South Bayfront Levee improvements. Approval of this assessment will:

- Provide a higher level of protection from tidal flooding.
- Remove many San Mateo properties from the Special Flood Hazard Area designation by FEMA (Zone A).
- Eliminate the FEMA flood insurance requirements from many properties (Zone A).
- Protect some of San Mateo’s most important facilities from flood-related disasters.

Please Complete Your Ballot and Mail It Back Promptly
All Ballots Must Be Received On or Before June 12, 2009 To Be Counted
II. Outreach
South Bayfront Levee & Flood Control Facilities Measure
by the City of San Mateo

Beginning April 29, 2009, San Mateo property owners subject to tidal flooding will receive ballots by mail. These ballots will allow them to decide if the proposed South Bayfront Levee Improvements are funded and built. Below is information about the South Bayfront Levee Improvements, to be completed if this measure is approved:

Improved Flood Control Protection from Tidal Flooding
The City of San Mateo is working to improve our flood control system. This current system protects local properties from tidal flooding caused by major storm surges and high tides along the San Francisco Bay shoreline. However, there are critical portions of the system that are not meeting FEMA current standards, including the South Bayfront Levee Improvements. Your property would receive significantly improved flood control protection from tidal flooding if the South Bayfront Levee Improvements are completed.

The South Bayfront Levee Improvements
There are four critical projects that are required by FEMA in order to revise the local flood maps and reclassify specific San Mateo properties out of the Special Flood Hazard Area in your neighborhood. These projects, collectively known as the South Bayfront Levee Improvements, are spread along over one mile of Bay shoreline.

The Special Flood Hazard Area
A Special Flood Hazard Area (SFHA) is defined by FEMA as a high-risk area in which land would be inundated by a flood having a 1% chance of occurring in any given year. Owners of properties within a SFHA are required to purchase flood insurance if they have federally-backed mortgages, at significantly higher insurance rates. Affected properties, subject to tidal flooding only, would be removed from the SFHA after completion of the proposed improvements and would no longer be subject to the FEMA flood insurance requirements.

Fiscal Accountability
The measure includes strong fiscal safeguards including annual public hearings and independent audits.

Additional Information
For additional information on the South Bayfront Levee and Flood Control Facilities Measure, please contact Karen Riley, Public Outreach Coordinator for the City of San Mateo at (650) 522-7334.

Watch for Your Mail Ballot April 29
For Improved Protection from Tidal Flooding

Main points:

- Our neighborhood is at **significant risk from devastating flooding**...this measure will provide **significantly improved flood control protection** from tidal flooding.

- Completion of the South Bayfront Levee Improvements will **remove the Special Flood Hazard Area designation** from your property *(Zone A only)*

- Completion of the South Bayfront Levee Improvements will **eliminate the FEMA flood insurance requirements** *(Zone A only)* It is anticipated that flood insurance could cost $???.?? per year, or more.

- Without this measure there will be no available funding source for the completion of the South Bayfront Levee Improvements
I. The City of San Mateo:
The South Bayfront Levee and Flood Control Facilities

- 43.8% Return Rate
- 79.6% Approval
- 20 years with optional payoff
CASE STUDY #3

SMALL RECLAMATION DISTRICTS
Reclamation District No. 10

- 25 miles of levees
- 621 parcels
- 1,000+ residents
- No office, No employees, 3 Board Members
- No recent engineering analysis of levees
- Historically most maintenance work completed by volunteer landowners
<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$12,500</td>
<td>(grant from Yuba County)</td>
</tr>
<tr>
<td>2008</td>
<td>$106,000</td>
<td>($100 per home assessment passed with 79% support)</td>
</tr>
</tbody>
</table>
Reclamation District No. 2029

- 10 miles of levees
- 13 land owners
- 3,500 acres – mostly agricultural
- No office, part-time superintendent, 5 Board Members

- 2008 budget of $208,800
  - $60 per acre assessment passed with 100% support
  - Replaced pre-Prop 218 assessment
Reclamation District No. 2044

- 9 miles of levees
- 10 land owners
- 3,200 acres – mostly agricultural, some small commercial
- No office, part-time superintendent, 5 Board Members
- 2008 budget of $213,078
  - $60 per acre assessment passed with 82% support
  - Replaced pre-Prop 218 assessment
CASE STUDY #4

SURVEYS
Do a Survey... Plan Ahead!

- Identify winnable rate
- Identify community priorities
- Develop key messages
- Choose optimal funding mechanism
  - Tax or assessment or fee

- Phone vs. Mail vs. Internet
Why did you receive this survey?
You received this survey because you are a registered voter within the Penryn Fire Protection District. The Fire District is seeking your opinion to help decide whether to continue to provide local fire and emergency medical services within its boundaries.

Please read this information sheet, and complete the enclosed questionnaire. Your responses will help the Penryn Fire District make important decisions about how to maintain fire and rescue services in your community.

About the Fire District
The Penryn Protection District is an independent special district, formed in 1924. It is governed by a five-member elected Board of Directors.

The Fire District has one fire station, and serves a population of over 3,000 people in the community of Penryn, surrounding areas and the northern tip of the Town of Loomis. In addition to fire prevention and suppression, the Fire District also provides auto accident, medical, and emergency response services.

The Fire District responds to over 600 calls per year including the following:

- Emergency medical aid: 65% of the calls
- Structure, wildland, and vehicle fires: 23%
- Traffic collisions, entrapments, and rescues: 10%
- Industrial accidents: 1%
- Hazardous materials response: 1%

Why is the Fire District seeking additional revenue?
The current public funding for local fire protection and emergency response services has not kept pace with the increases in demand for services, or with the higher costs for operations and maintenance. In recent years, emergency reserves have been used to supplement day-to-day expenditures for the Fire District.

The Fire District has already made major cuts to services and personnel. The Fire District’s fire fighters and emergency medical technicians are some of the lowest paid in the area. They receive a minimal hourly wage and a small benefit plan, with no pension.

In addition, and to cut costs further, the Fire District has delayed replacement of aging fire engines and equipment, as well as needed maintenance on its fire station. The current fire engines are approaching the limit of their service life, and have become more costly to maintain.

Despite all these cost saving measures, the Fire District’s current revenue is still not adequate to provide services at a level that maintains an appropriate measure of safety for the community, and costs are expected to continue to increase.

What about CAL FIRE and the State Fee?
The Fire Prevention Fee, which was put in place by the California Legislature, can only be used by CAL FIRE to try to prevent fires from starting. None of these funds can be used to put out fires once they start (fire suppression), or for medical or other emergency response services. The Penryn Fire Protection District is your primary provider for all structure fire suppression, emergency medical response, and other emergency response in this area, and it does not receive any revenue from the Fire Prevention Fee.
Penryn Fire Protection District
Information Fact Sheet (continued)

The impact of the budget shortfall on the Fire District’s fund balance
Despite the cuts the District has already made, under current conditions the Fire District is running a large deficit every year. Although the District had funds in reserve, those funds are projected to be completely spent in the next fiscal year. The Fire District cannot continue to spend at its current rate if no additional source of revenue is found to help reduce the annual budget shortfall.

<table>
<thead>
<tr>
<th>Projected annual deficit</th>
<th>FY 16-17</th>
<th>FY 17-18</th>
<th>FY 18-19</th>
<th>FY 19-20</th>
<th>FY 20-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>-306,149</td>
<td>-311,646</td>
<td>-327,986</td>
<td>-320,923</td>
<td>-338,985</td>
<td></td>
</tr>
</tbody>
</table>

| Projected fund balance   | $318,134 | $6,488   | -321,497 | -642,421 | -981,406 |

What are the primary reasons for the budget imbalance?
The primary reasons why revenues have not kept up with expenses include the following:
- Property tax revenue is locked in at 1977 rates
- Population and building construction have increased significantly, increasing demand for emergency services
- Fire apparatus and equipment costs have increased significantly
- The minimum wage in California is scheduled to increase every year over the next several years
- Personnel training requirements and associated costs have increased significantly
- Increased training and other requirements have resulted in diminished volunteer ranks

What will happen if the Fire District does not receive additional revenue?
The Fire District is committed to its mission, however, if it does not receive additional revenue, the Fire District’s Board of Directors will face some hard choices about how to proceed.
Below are some of the likely impacts if the level of fire protection and suppression services needs to be decreased further:

Public Safety
Closure of the fire station will lead to increased response times, injuries and loss of life.

Property Protection
Closure of the fire station will lead to increases in property damage and destruction.

Economic Stability
Closure of the fire station will lead to some or all of the following:
- Increased property insurance premiums, or cancellation of insurance
- Difficulty in renewing and obtaining insurance
- Reduction in property values and increase in difficulty selling uninsurable property

Proposed rate structure
In order to continue providing a high level of fire protection and emergency medical services, the Fire District is considering proposing a ballot measure. The proposed annual rates are listed below by property type:

Residential: $240.00 per dwelling unit, Unimproved: $75.00 per parcel, Commercial: $0.10 per building square foot, with a $75 minimum.

This amount may be increased annually by the change in the Consumer Price Index, and would be in addition to what you are already paying.
## OFFICIAL SURVEY
### Penryn Fire Protection District
This survey has been mailed to registered voters within the Penryn Fire Protection District to gather information and opinions. This information will help the Fire District make decisions about funding for current and future services. After completing the survey, simply mail it back in the postage-paid return envelope provided.

**Survey Instructions:**
1. Read each question listed below.
2. Fill in the circle for your response. Please use a pen and completely fill in the circle.
3. Detach the bottom portion of this sheet containing your responses.
4. Place the bottom portion of this sheet in the return envelope and mail the postage-paid enveloped.

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### 1. Voters in your area may be asked to vote on a local ballot measure.

**Following is a summary of the proposal:**

- Help preserve response times for local fire protection and emergency response services,
- Retain our experienced, trained fire-fighting crews, and
- Provide funding for ongoing maintenance, repair, and replacement of fire-fighter apparatus, vehicles, and equipment

**Would you support an annual special tax in the amount of $240.00 per residential dwelling?**

*This is in addition to the amount you are already paying. See enclosed Infographic about proposed rate on other types of properties.*

<table>
<thead>
<tr>
<th>Definitely YES</th>
<th>Probably YES</th>
<th>Probably NO</th>
<th>Definitely NO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Now, please read the following arguments and statements regarding the proposed Penryn FPD special tax. For each, please indicate whether they make you more or less likely to support the measure:

<table>
<thead>
<tr>
<th>Argument/Statement</th>
<th>More Likely</th>
<th>Somewhat More Likely</th>
<th>Somewhat Less Likely</th>
<th>Less Likely</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. This measure would help preserve our current emergency response times for fire protection, medical emergencies and rescue services.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3. Penryn Fire Protection District does not receive funding from the California Fire Prevention Fee (also known as the CAL FIRE/FF Station or the SRA Fee).</td>
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<td></td>
</tr>
<tr>
<td>4. Having the ability to provide emergency medical and rescue services 24 hours a day, 7 days a week is essential to protecting our quality of life in our community.</td>
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<td></td>
</tr>
<tr>
<td>5. Funds from this measure would help to maintain the Fire District's ISO fire risk rating, limiting the potential increase in fire insurance rates.</td>
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</tr>
<tr>
<td>6. The Fire District's fire engines and equipment are getting older and more costly to operate, repair, and maintain. They will need to be replaced soon, and an equipment replacement fund is needed now.</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>7. The District has already made cuts to services, and deferred maintenance on fire engines and stations in order to keep the District solvent.</td>
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</tr>
<tr>
<td>8. This measure would prevent our local Fire District from making service cuts that could reduce our fire protection and emergency medical service levels.</td>
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</tr>
<tr>
<td>9. This ballot measure would include strong fiscal safeguards, including increased government transparency, annual financial audits, and reporting, and annual budgets presented at public meetings.</td>
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<td></td>
</tr>
<tr>
<td>10. The funds from this measure would be fully controlled and cannot be taken by the State, the County, or any other agency for any other purposes.</td>
<td></td>
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</tr>
</tbody>
</table>

Please write below any you support or oppose this proposed measure, and describe which issues are most important to you:

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This survey is being conducted by an independent third party. All results obtained through this process will only be shared in an anonymous form.
Loomis... What Rate to Choose?

Overall Support by Proposed Rate

<table>
<thead>
<tr>
<th>Rate</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>$95.00</td>
<td>62.4%</td>
</tr>
<tr>
<td>$125.00</td>
<td>60.2%</td>
</tr>
<tr>
<td>$175.00</td>
<td>59.6%</td>
</tr>
</tbody>
</table>
Santa Barbara Wildland Fire.... What Rate to Choose?

Overall Support by Proposed Rate

- $65.00: 54%
- $65.00 - Foothill Zones Only: 56%
- $98.00: 50%
- $125.00: 45%

$65.00 and $65.00 - Foothill Zones Only have the highest support at 56%.
Q & A and Contact Info

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