ELECTION ANNOUNCEMENT:
SAFCA Calls for Vote on Proposed Assessment

After spending the last several months working with and obtaining input from numerous property owner, taxpayer, business, environmental and neighborhood organizations, the Sacramento Area Flood Control Agency (SAFCA) Board of Directors decided on February 15 to ask local property owners to vote on the formation of a consolidated capital assessment district to pay for a comprehensive flood protection plan to achieve 200-year flood protection.

“This is a very significant milestone,” said Stein Buer, SAFCA executive director. “The community has really come together to help us craft a plan that’s fair for everyone and will lead to much better flood protection over the next ten years.”

At the February 15 hearing, several groups and individuals testified or submitted written statements in support of the plan that will be presented to property owners, including:

• Jan Doe
• John Doe
• Jane Doe
• John Doe
• Jan Doe

No organizations expressed opposition to this plan.

“We are excited that SAFCA is taking this important step in flood protection,” said Matt Mahood, President and CEO of the Sacramento Metropolitan Chamber of Commerce. “With this fair and attainable plan, our region’s economic growth can continue while our risk of flooding is dramatically reduced.”

If approved by property owners, SAFCA’s plan will provide 100-year flood protection from the American and Sacramento rivers for all Sacramento area neighborhoods in the next several years. Continued improvements will then yield better than 200-year flood protection within the next decade.

The projects needed to provide this level of flood protection cost roughly $2.68 billion. In order to secure Federal and State funds to pay for these projects, Sacramento must raise 10 percent of the total amount, which is why SAFCA is proposing this new assessment district.

In early March, SAFCA will mail ballots to property owners of approximately 140,000 parcels located within the proposed assessment district. Ballots returned by mail must be received by SAFCA by April 18 or brought to the SAFCA Board meeting on April 19 to be counted.

To ensure fairness, property owners will only be assessed for projects that benefit their particular property.

“SAFCA’s plan is fair and equitable,” said community leader (perhaps Mary Brill, President, Sacramento County Alliance of Neighborhoods). “Only asking property owners to pay for projects that benefit their property ensures no one pays more than their fair share.”
In early March ballots will be mailed to nearly 140,000 parcel owners throughout Sacramento, asking them to vote on whether to create a new consolidated capital assessment district.

Property owners will have 45 days to return their marked and signed ballots to SAFCA. Ballots mailed or hand-delivered must be received by SAFCA no later than 5:00 p.m. Wednesday, April 18; or ballots may be hand delivered to SAFCA at a public hearing on Thursday, April 19, at 3 p.m.

At the conclusion of the public hearing, SAFCA will tabulate the returned ballots, weighing each ballot vote in proportion to the amount each property would be assessed. In other words, each dollar of the proposed assessment on a parcel counts as one vote. The consolidated assessment district may be established only if more than 50 percent of the votes cast are in favor of the assessment.

If a majority of the weighted ballots are in favor, the SAFCA Board will have the authority to pass a resolution on April 26, establishing the new assessment district with a life of 30 years. The new assessment rates would appear on tax bills mailed to affected property owners on October 31, 2007.

The Ballot Package
Ballot packages will be mailed to the record owner of each parcel. Please note that owners of multiple parcels will receive a ballot package for each parcel. Enclosed in this package will be the following materials:

- Official Ballot
- Postage-paid ballot return envelope
- Voter Information Guide
- Background on Flood Protection Plan
- Notice of Public Hearing

Each ballot includes the assessor’s parcel number for the property, the proposed annual capital assessment amount, the current capital assessment amount, and the net change in assessment. The ballot package also includes detailed instructions on how to properly fill out and return the official ballot, a voter information guide with answers to frequently asked questions, and a summary of SAFCA’s flood protection plan.

SAFCA’s plan to provide the Sacramento area with a 200-year level of flood protection counts on the new Consolidated Capital Assessment District. The projects to be funded by this new district include the following:

- Folsom Dam improvements
- Natomas Basin levee improvements
- Levee improvements along the American and Sacramento rivers
- Levee and channel improvements on major tributary streams in North and South Sacramento

The total price tag for these projects is estimated at $2.68 billion. About 90 percent of this cost could be secured from the Federal and State governments if local property owners provide a 10 percent match by forming the Consolidated Capital Assessment District. For this “10 percent” investment, the region will protect $40-$50 billion in damageable property, based on current engineering and information, achieve better than 200-year flood protection.

If approved, the new Consolidated Capital Assessment District would build on a series of cooperative cost sharing arrangements among SAFCA, the State of California and the Federal government. Notably, the two existing capital assessment districts that would be merged into the new district have enabled SAFCA to secure significant Federal and State investments in improving Sacramento’s flood control system:

**The American River/South Sacramento Streams Group Capital Assessment District (No. 3)**
Formed in 2000, this district has raised over $27 million locally, with the Federal Government contributing about $150 million and the State Government contributing about $40 million.

| PROJECT COST SHARES USED TO COMPUTE ASSESSMENTS ($ Millions) |
|---------------------------------|-----------------|-----------------|-----------------|
| PROJECT                        | SAFCA SHARE     | STATE SHARE     | FEDERAL SHARE   |
| Folsom Dam Improvements        | $146            | $328            | $1,147          |
| Natomas Levees                 | $43             | $102            | $269            |
| AR Levee Improvements          | $14             | $3              | $4              |
| SR Levee Improvements          | $36             | $83             | $221            |
| North Sac Streams              | $5              | $7              | $4              |
| South Sac Streams              | $8              | $20             | $62             |
| TOTAL PROJECT COST             | $2,680          | $572            | $1,817          |
Assessments Vary Based on Risk
To ensure that assessments are proportional to the flood control benefits received by each parcel, they are based on:

- Likely depth of flooding: The proposed assessment district has been divided into flood depth zones because flood depths for structures tend to increase with depth of flooding. These zones are 0-5 feet, 5-10 feet, and greater than 10 feet.
- Likely damage to structures: The proposed assessment is proportional to square footage and distinguishes between residential, commercial, and industrial structures, applying depth damage relationships from past floods, for both structures and content.
- Likely damage to land: The proposed assessment for land is proportional to acreage and distinguishes between various land use categories.

Existing Assessments Eliminated
If approved by property owners, the new assessment district would eliminate two existing assessment districts - the North Area Local Project capital assessment district (formed in 1995) and the American River/South Sacramento Streams Group capital assessment district (formed in 2000). The properties covered by these districts will be included in the new Consolidated Capital Assessment District. Most will pay increased assessments reflecting the proportional assessment distribution within each benefit zone of the new district and the depth and damage variables discussed above.

If you wish to check the proposed assessment on a property you own, you may log on to www.safca.org, click on the orange Assessment Calculator button, and key in your Assessor’s Parcel Number, which is printed on the mailing label for this newsletter. The assessments for each parcel included in the new assessment district were first made available through the Assessment Calculator on SAFCA’s website (www.safca.org) on January 19.

These assessments were adjusted on February 15 to better reflect the differences in the likely damage to one- and two-story residential structures. These adjustments have produced a more equitable distribution of assessments proportional to project benefits among residential parcels.

AVERAGE ANNUAL ASSESSMENT*

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<tr>
<th>Benefit Zone</th>
<th>Proposed Assessment</th>
<th>Existing Assessment Eliminated</th>
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*For Single-Family Residences

TO DETERMINE THE PROPOSED CHANGE TO YOUR ASSESSMENT, PLEASE VISIT: WWW.SAFCA.ORG
Low-cost flood insurance is now available to property owners in the Meadowview and Pocket communities.

On February 21, approximately 26,000 property owners in Sacramento’s South Area—including the Meadowview and Pocket communities—became eligible for low-cost Preferred Risk flood insurance.

Property owners in these communities join the more than 89,000 people in the greater Sacramento region who currently qualify for low-cost Preferred Risk flood insurance.

Preferred Risk Policies, or PRPs, provide full flood insurance protection for about half the price of Standard, or mandatory, flood insurance. In addition, PRPs include contents coverage—flood insurance for your belongings—in their already low premium.

Sacramento property owners who carry a PRP save an average of $240 a year on their flood insurance. In April 2007 SAFCA will mail a PRP savings packet to eligible South Area property owners.

Living behind levees carries risks

In south Sacramento, SAFCA, the State of California and the U.S. Army Corps of Engineers have strengthened the Sacramento River levees, repairing damage caused by erosion and underseepage that threatened to destabilize the levee during severe flood conditions.

While these improvements have reduced the risk of levee failure, they have not eliminated the flood risk to South Area property owners.

All levees, including those throughout the Sacramento region, are built to provide a specific level of flood protection. However, powerful storms can create dangerous river conditions that cross this safety threshold, causing levees to fail or overtop.

Flood insurance can help protect you from the financial ruin that is often the result of a catastrophic levee failure. Most homeowners’ policies do not cover damage caused by flooding.

Flood insurance eligibility in the Sacramento area is in flux as a result of progress on flood control projects and changing levee certification requirements. The accompanying map shows the current flood insurance eligibility status for various neighborhoods in the area.

Most property in the purple shaded areas shown on the Flood Insurance Status qualified for low-cost PRPs on February 21, 2007. Many qualifying property owners in the purple and green shaded areas have not yet converted to PRP policies to take advantage of the lower rates and may do so at any time. Properties in the light blue shaded area also qualify for PRPs, but are expected to require full cost flood insurance after November 2007.

SAFCA and its flood control partners urge all property owners who are protected by levees to retain flood insurance at the PRP rates, rather than cancel.

For More Information:

- If you have doubts about whether or not you are now eligible for flood insurance relief, you may check the status of your property with the Assessor’s Parcel Number on the mailing label of this newsletter by logging on to www.safca.org, and clicking on the Flood Insurance Relief button and following the instructions. The website also provides step-by-step information on how to obtain a Preferred Risk Policy and a flood insurance premium refund. This site also contains information that will help you to analyze your flood risk.
- If you live within the City limits and have questions about whether flood insurance is still required for your property, you may also contact the City of Sacramento’s Floodplain Information Line at (916) 808-5061.
- If your property is located in the unincorporated area of Sacramento County, you may call the County's Flood Zone Information Hotline at (916) 874-7517.
- If you have any other questions, please call SAFCA at (916) 874-7606.
- Finally, contact your insurance agent to apply for a low-cost PRP.