A LEGACY OF ACCOMPLISHMENTS

Over the last three decades, tremendous strides have been made in strengthening the flood control system along the American and Sacramento rivers (together with their tributaries in North and South Sacramento). Here are some examples:

• A new Folsom Dam auxiliary spillway with six gated outlets connected to the reservoir by a new approach channel and to the river below by a 2,100-foot spillway and stilling basin

• Nearly 25 miles of levee improvements along the lower American River, including seepage cutoff walls installed up to depths of 80 feet, levees raised to adequate heights and the river channel strengthened in critical locations to prevent erosion

• More than six miles of levee improvements along the lower Sacramento River in the Pocket-Meadow view areas to address long-term erosion

• Almost 40 miles of levee improvements around the Natomas basin and in North Sacramento to address levee height deficiencies, erosion and underseepage

• Over nine miles of levee, channel and floodwall improvements along Florin, Morrison, Elder and Unionhouse creeks in the South Sacramento area, protecting neighborhoods vulnerable to flooding from high water events

These flood risk reduction efforts have also contributed to protecting and enhancing fish and wildlife habitats and the natural environment in the following ways:

• Creating the Lower American River Task Force and facilitating erosion control improvements along the American River that have addressed levee stability and incorporated habitat features, fully mitigating project impacts and preserving the wild and scenic character of the American River Parkway

• Designing levee improvements in Natomas to include conservation measures that expand and improve core wildlife habitats such as native grasslands, woodlands, canals and wetlands while contributing to the recovery of several endangered species

• Securing authorization of Folsom Dam modifications to allow dam operators to more consistently meet water temperature needs of salmon and steelhead in the American River

In the decade since Hurricane Katrina, new levee safety programs have been adopted to prevent Sacramento from meeting the same fate as New Orleans. It is widely understood among residents, scientists and flood control officials that Sacramento has the lowest level of flood protection among the most at-risk river cities in America.

Established in 1989, the Sacramento Area Flood Control Agency (SAFCA) has strengthened Sacramento’s levee system tremendously. SAFCA has secured nearly $2 billion in the last three decades, improving flood control, increasing safety for residents and preventing catastrophic failure of our levee system. Of that amount, about $300 million was generated by three flood control assessments established by property owners through ballot measures under Proposition 218 in 2000, 2007 and 2011. Please note, we would not have been successful in securing state and federal dollars without creating these assessment districts, which provided required local matching funds.

SAFCA is reaching out now because the state and federal agencies that ensure the safety of our levee system have adopted new policies requiring an additional $1.3 billion in funds to complete necessary flood control projects. SAFCA’s share – the local match for improvements and funds needed to operate and maintain these projects – is $363 million, which can be generated over the next 30 years only by levying assessments on property owners through another ballot vote.

It is essential SAFCA employs the strategy used in prior assessments to secure the funds needed to achieve a 100-year level of flood protection and progress toward a 200-year level of flood protection for Sacramento neighborhoods. To pay for Sacramento’s share of the needed flood improvement costs, our plan is to replace the 2007 flood control assessment district with a new one. As with past assessment proposals, to ensure fairness, each property owner will be asked to pay only for projects directly benefiting his or her property.

Without these improvements, property owners will continue to be vulnerable to major flooding and mandatory flood insurance.

It is our hope that property owners will take the time to read this newsletter, consider the information and communicate with us about Sacramento’s flood control needs.
**HISTORY OF EXTREME FLOODING**

As noted in this newsletter, significant progress has been made in strengthening our levee system to meet applicable state and federal policies and standards. However, these policies and standards are dynamic in nature. They are affected by shifting perceptions of flood risk, particularly following major flood events such as Hurricane Katrina. As a result, over the past 20 years, SAFCA has had to address many unanticipated flood risk management challenges while pursuing its goals to deliver a 100-year level of flood protection for the city and county of Sacramento and the southern portion of Sutter County to reach the state’s new 200-year level of protection – mainly due to “underseepage.” Work begins on installing deep cutoff walls along American River and improving channels in South Sacramento. Congress authorizes major Folsom Dam upgrades.

These challenges include the following:

- Historically, channel erosion issues have been addressed on a piecemeal basis as problems have become severe enough to warrant action. Now, they must be addressed proactively so that minor problems do not become major problems. This approach will likely increase project costs significantly, requiring larger local contributions.

- Completed projects must be managed to meet more demanding requirements, including removal of hazardous vegetation and encroachments while improving levee access and visibility. These will be increasingly costly to implement with the burden falling mostly on local interests.

- Federal credits earned in connection with projects implemented by local and state agencies - in advance of Congressional authorization - may not be used to cover costs of acquiring land and relocating utilities as necessary to support the federal phase of project construction. Under this policy, more local funding is likely to be needed in Natoma, despite the accumulation of substantial amounts of credit during the early implementation phase of the project.

So, once again, SAFCA finds itself at another critical juncture in its 27-year history. The above changes in policies and standards were not anticipated when SAFCA’s Consolidated Capital Assessment District (CCAD) was established in 2007. In order to address these changes, SAFCA needs to raise $363 million more than what was provided by CCAD. The Natoma Basin Local Assessment District formed in 2011 will contribute to covering this gap, but there are still not enough local matching funds to finance the needed projects and activities.
WHAT IS BEING PROPOSED

State and federal policies have changed significantly since the Consolidated Capital Assessment District (CCAD) was created in 2007. As a result, SAFCA is evaluating how to update local funding mechanisms to address the impact of these changes on its flood risk reduction program.

This means SAFCA will likely ask affected property owners to vote on another flood control assessment in May. The idea is to replace the existing CCAD with a new consolidated capital assessment district (CCAD 2).

If the proposed new district is approved by property owners, the local funds will enable SAFCA to achieve the following flood protection goals:

1. Complete the projects necessary to provide a 100-year level of flood protection as quickly as possible. This will minimize the risk property owners in North Sacramento and in the areas protected by the Sacramento River levees outside Natomas (downtown, Land Park and Pocket) will pay mandatory high-cost flood insurance.

2. Continue to make adequate progress in providing at least a 100-year level of flood protection to the Natomas basin.

3. Achieve a 200-year level of flood protection in all areas of the floodplain in Sacramento - within the timeframe allowed by the State Legislature - so that existing general plans for these areas can continue to be implemented.

4. Provide more than a 200-year level of flood protection over time to address climate uncertainty and reduce the risk of catastrophic flooding.

The total cost of the projects necessary to achieve these objectives is estimated at $3.6 billion. This represents an increase of $1.3 billion compared to the cost of projects funded by the existing CCAD. Federal and state funds would cover over 80 percent of the capital cost of the improvement program, assuming all elements of the program are supported locally.

The required local match is $242 million, which would be paid over a 30-year period by property owners in CCAD 2 who benefit from these projects. SAFCA would need to raise an additional $121 million in operation and maintenance costs related to the funded capital improvements. These costs would also be covered by CCAD 2, bringing the total cost to $363 million.

If this new district is approved by the affected property owners, the increase in assessments would not be levied until 2017.

SAFCA is already well positioned to secure $112 million in state bond monies, two-thirds of the funds needed to pay for levee improvements in the North Sacramento area and along the east levee of the Sacramento River in the Pocket area. This effort will keep the affected property owners out of the 100-year floodplain.

Approximately 60,000 parcels are within CCAD 2. Homeowners represent 80 percent of these parcels. The increase of the average annual assessment for all homeowners in CCAD 2 would be slightly more than $40. On average, owners of commercial and industrial properties in the proposed assessment district would not pay more than what they pay today under CCAD 2.

To account for the unique geography of the floodplains and because the proposed flood control projects will have geographically distinct benefits for the parcels in CCAD 2, this new assessment district will be divided into nine project benefit zones, each of which will have a different average annual assessment amount.

Though state and federal funding has played a critical role in making flood control improvements possible, SAFCA has been successful in securing these funds because the community has been willing to provide the required local match. More than $300 million has been committed by property owners through approval of the three flood control assessment districts in 2000, 2007 and 2011. The resulting cumulative investment in flood risk reduction has been a key factor in sustaining Sacramento’s economic growth and providing property owners relief from costly mandatory flood insurance.
WHAT COULD HAPPEN IF WE DON’T SECURE FUNDING?

For all of those living in Sacramento’s floodplain, there is perhaps nothing more frightening than the thought of a levee failure. While we all hope Sacramento is equipped to avoid this kind of catastrophe, it is important to understand what could happen if a levee were to fail.

As New Orleans and other more recent flood disaster areas have taught us, a levee breach in Sacramento would cause substantial loss of life and cripple our economy, affecting the more than one million people living in the metropolitan area who depend on the city for services and facilities. In a levee break, floodwaters would reach one foot in depth in two hours or less in the Pocket, Land Park, River Park and Natomas neighborhoods, and ultimately reach over 20 feet in depth in some parts of the city.

“Two million people live here,” said a spokesman for the U.S. Army Corps of Engineers. “Interstate 5 runs through the heart of Sacramento. Interstate 80 and Highway 50 come right through Sacramento. These are major transportation corridors. And it’s the capital . . . (with) a lot of water flowing through here, relying on a levee system that is quickly aging,” he added. “You can’t fix just one segment and expect that to work . . . If it fails anywhere [the system is] only as good as its weakest link.”

The human and financial costs are incalculable. If SAFCA is unable to raise the local matching funds needed to bring Sacramento’s levee system into compliance with state and federal standards, the consequences will impact public safety and our economy as follows:

• Levees along the lower American River will not be able to safely contain the sustained high velocity releases from Folsom Dam.

• Significant levee embankment and foundation stability deficiencies along the east levee of the Sacramento River in the Pocket area would not be fixed.

• The risks of levee underseepage and foundation instability around the Natomas basin would not be addressed. Property owners will continue to pay for mandatory flood insurance, with rates expected to rise in the coming years.

• The federal government would likely remap the neighborhoods between the Sacramento and American rivers, showing that they do not have at least a 100-year level of flood protection, resulting in costly mandatory flood insurance.

These risks are unacceptable, which is why SAFCA is taking new steps to increase our level of protection against an extreme flood.

PUBLIC INVOLVEMENT
To describe the flood control improvements needed in our community, and the proposed assessment for the local share of the cost of these improvements, SAFCA has prepared a draft Environmental Impact Report (EIR) and draft Engineer’s Report. Both can be found at www.safca.org. Comments on the EIR must be submitted by March 16. The SAFCA Board will continue its public deliberation on the engineer’s report at its meeting on March 17.

For more information, please contact SAFCA at (916) 874-7606 or visit www.safca.org.

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