SAFCA Calls for Ballot on Proposed Assessment

On April 29, ballot packets will be mailed to approximately 160,000 parcel owners throughout the Sacramento area, calling for a ballot election to create a new assessment district (Consolidated Capital Assessment District 2) that will replace the existing assessment district approved in 2007.

Under the provisions of Proposition 218 (Articles X IIIC and X IIID of the California Constitution), each ballot will be weighted in proportion to the amount the property would be assessed. In other words, each dollar the proposed annual capital assessment amount, the current capital assessment district may be established only if more than 50 percent of the weighted ballots cast are in favor of the assessment.

Each ballot will contain the assessor’s parcel number for the property, the proposed annual capital assessment amount, the current capital assessment amount (if any) and the net change in assessment. The assessment district may be established only if more than 50 percent of the weighted ballots cast are in favor of the assessment.

Property owners will have 45 days from the postage date to return completed ballots to SAFCA. The ballot packet includes a pre-paid return envelope. Ballots may be mailed or hand delivered to SAFCA as long as they are received no later than 1:00 p.m. on Monday, June 13. Ballots may be changed or submitted in-person at SAFCA’s public hearing on June 13.

If a majority of the ballots are in favor of the new assessment, the SAFCA Board will have the authority to pass a resolution to form the new Consolidated Capital Assessment District 2 at its regularly scheduled hearing on Thursday, June 16.

Ballots may be changed or submitted in-person at SAFCA’s public hearing on June 13.

If the assessment fails, as reported in previous Flood Watch publications, property owners will face an uncertain fate when it comes to the risk of catastrophic flooding and higher flood insurance rates in the coming years.

SAFCA has scheduled 12 community open houses in the proposed assessment district to provide detailed information about the proposed assessment and the balloting process. A schedule of those times and locations can be found below.

It is critical that all property owners make informed decisions about this balloting process. In addition to thoroughly reading the materials available to you, I recommend you attend one of these community open houses to answer any questions you may have. You can also visit www.safca.org where you will find detailed information about SAFCA’s plan. You may also reach us at info@safca.org or (916) 874-7606.

You will receive your ballot in early May. Thank you for your patience and consideration as we move our flood control system into the future.

Community Open Houses – 5:00 – 7:00 p.m.

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Address</th>
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<tbody>
<tr>
<td>May 10</td>
<td>Evelyn Moore Community Center</td>
<td>1402 Dickson Street</td>
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<td>May 10</td>
<td>Scottish Rite Masonic Center</td>
<td>6151 H Street</td>
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<tr>
<td>May 11</td>
<td>Joe Mims Jr. Hagginwood Community Center</td>
<td>3271 Marysville Boulevard</td>
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<td>May 11</td>
<td>George Sim Community Center</td>
<td>6207 Logan Street</td>
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<td>May 12</td>
<td>South Natomas Community Center</td>
<td>2921 Truxel Road</td>
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<tr>
<td>May 12</td>
<td>Johnston Community Center</td>
<td>231 Eleanor Avenue</td>
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<td>May 17</td>
<td>Clinic Community Center</td>
<td>601 Alhambra Boulevard</td>
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<td>May 17</td>
<td>Heron School</td>
<td>5931 Banfield Drive</td>
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<tr>
<td>May 18</td>
<td>Elks Lodge #6</td>
<td>6446 Riverside Boulevard</td>
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<tr>
<td>May 18</td>
<td>Samuel Pannell Meadowview Community Center</td>
<td>2450 Meadowview Road</td>
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<tr>
<td>May 19</td>
<td>Sierra 2 Center</td>
<td>2791 24th Street</td>
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<tr>
<td>May 19</td>
<td>Sierra Oaks Elementary School</td>
<td>171 Mills Road</td>
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SAFCA must complete a number of important projects to provide all areas of Sacramento with a 100-year level of flood protection as quickly as possible, meet the state’s 200-year flood protection requirements by 2025, and improve the resiliency and structural integrity of the flood control system to provide more than 200-year protection over time. The proposed assessment is the key to ensuring the financing plan comes together.

The projects that would be funded by the new assessment district are as follows:

**American River** – raise Folsom Dam; improve the dam’s temperature control facilities and address potential erosion during high-flow events in the American River channel

**Natomas basin** – complete final 24 miles of levee improvements surrounding the Natomas basin to address stability and underseepage issues

**North Sacramento streams** – install underseepage cutoff walls and relief wells along four miles of the north and south levees of Arcade Creek and the east levee of the Natomas East Main Drainage Canal (NEMDC); implement a corridor management plan along portions of the NEMDC/Steelhead Creek and its tributaries

**Sacramento River** – complete seven miles of underseepage cutoff walls, seepage berms and relief wells to address underseepage along the east levee in the Little Pocket and Pocket areas; construct up to nine miles of erosion control improvements

The additional funding to complete these projects is estimated at almost $1.2 billion more than what was anticipated in 2007. The majority of these funds can be secured from federal and state governments if local property owners provide the rest. SAFCA needs to contribute an additional $250 million through the new assessment district to cover its share of total project costs, securing cost sharing arrangements with the other agencies. SAFCA also needs to raise an additional $121 million in operational and maintenance costs to meet federal and state standards. For this amount, billions in damageable property will be protected and more than a 200-year level of flood protection will be achieved.
During the 45-day balloting period (early May to mid-June), property owners will have an opportunity to decide whether to support the proposed assessment district. The outcome of this ballot procedure will have a direct bearing on whether Sacramento will remain at risk from extreme flooding, whether homeowners will be required to pay high-cost flood insurance and whether new development and substantial improvements to existing structures will be restricted by virtue of Sacramento’s levee system failing to meet federal and state requirements.

What is being considered:

• Will the levee improvement project around the Natomas basin be completed?

• Will levees along the lower American River be improved to safely contain sustained high-velocity releases from Folsom Dam?

• Will levees in the North Sacramento area and along the Sacramento River in the Pocket area be strengthened to address identified levee embankment and foundation stability deficiencies?

• Will homeowners likely be required to pay high-cost flood insurance?

• Will building restrictions likely be imposed on public and private development projects throughout the Sacramento area?

Here is what could occur if the new assessment district is not formed:

• Levee improvement funds recently made available for Natomas by the federal government would be lost and the levee improvement project around the basin would not be completed.

• Property owners in Natomas would likely not be able to maintain current preferred risk flood insurance rates.

• Deficiencies in the levees in North Sacramento and along the Sacramento River would not be addressed and federal and state levee design standards would not be met.

• High-cost flood insurance (estimated to be as much as $1,500 per year) would likely become a reality for homeowners in North Sacramento, Land Park, Pocket, Meadowview and Natomas.

• Most areas in Sacramento would face a moratorium or restrictions on new development and major modifications to existing buildings such as fire damage repairs.

**Potential Mandatory Flood Insurance Increases vs. Current Costs for Property Owners**

- **Current average cost per year if the assessment is approved (mandatory in Natomas, voluntary in other areas)**
- **Increased insurance cost based on current FEMA rules if assessment is not approved (mandatory in Natomas, North Sacramento, Land Park, Pocket and Meadowview)**
Under the provisions of Proposition 218, assessments paid by individual property owners may only go toward improvements that benefit their own property. This is why the proposed assessment district is divided into eight benefit zones. The assessments for each benefit zone will pay for the local share of constructing those specific projects. For example, property owners in South Sacramento will not be asked to pay for improvements to levees which surround and protect the Natomas basin.

Assessments Vary Based on Risk
To ensure that assessments in each benefit zone are proportional to likely flood damage to structure and land for each property, the following variables are factored into the assessment formula to determine parcel-by-parcel rates:

- **Likely depth of flooding**: The proposed assessment district has been divided into several flood depth zones because flood damage to structures tends to increase with depth of flooding. These zones are 0-5 feet, 5-10 feet and greater than 10 feet.

- **Likely damage to structures**: Each proposed assessment is proportional to building square footage and distinguishes between residential, commercial and industrial structures. Assessment rates consider 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, but is not sensitive to depth of flooding.

**Existing Assessments Eliminated**
If approved by property owners, the new assessment district would eliminate the 2007 assessment district and the properties covered by this district will be included in the new 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.

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**PUBLIC INVOLVEMENT**

Ballots asking property owners to decide on whether to approve a new assessment will be mailed in late April to roughly 80,000 property owners in the Natomas, North Sacramento, Pocket, Land Park, Meadowview and American River neighborhoods as well as South Sutter County. Property owners would be assessed based on factors such as likely flood depth, building square footage, parcel acreage and land use – and will be asked to pay only for projects that provide a direct benefit to them.

Property owners will have 45 days to return ballots. Each returned ballot will be weighted in proportion to the assessment amount to be paid. The assessment district can be established only if more than 50 percent of ballots cast are in support and the SAFC Board approves. New capital assessments would appear on tax bills in fall 2017, which would replace current capital assessments. For more information, please contact SAFCA at (916) 874-7606 or info@safca.org, or visit www.safca.org.

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