Item No. 33

Supplemental Material

For

City of Sacramento

City Council
Housing Authority
Redevelopment Agency
Economic Development Commission
Sacramento City Financing Authority

Agenda Packet

Submitted:

For the Meeting of: June 21, 2007

- ☐ Additional Material
- ☒ Revised Material

Subject: City Council Authorization to Submit Remap Application to FEMA for the Natomas Basin

Contact Information: Gary Reents, Director, 808-1433; Dave Brent, Division Manager, 808-1420; David Schamber, Supervising Engineer, 808-1423

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REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Staff
June 21, 2007

Honorable Mayor and
Members of the City Council

Title: City Council Authorization to Submit Remap Application to FEMA for the Natomas Basin

Location/Council District: District 1

Recommendation: Adopt a Resolution authorizing the City Manager to submit a joint A99 Flood Zone application with Sacramento and Sutter Counties to FEMA for the Natomas Basin.

Contact: Gary Reents, Director, 808-1433; Dave Brent, Division Manager, 808-1420; David Schamber, Supervising Engineer, 808-1423

Presenters: Gary Reents & Dave Brent

Department: Utilities

Division: Engineering Services

Organization No: 3330

Description/Analysis

Issue: The City of Sacramento, Sacramento County and Sutter County received letters from FEMA, dated December 29, 2006, in which FEMA informed the communities of the necessity to update the existing Flood Insurance Rate Map (FIRM) for the Natomas Basin. This FIRM revision would result in the entire Basin being placed in a regulatory Special Flood Hazard Area (SFHA). FEMA's original schedule was to issue a preliminary FIRM revision by April 2007 and a final, revised FIRM by November 2007. Meetings with FEMA over the last several months to discuss the remapping process has resulted in FEMA agreeing to delay the map revisions to allow for more certainty as to State and local funding for the Natomas Levee Improvement Project. FEMA's new remapping schedule requires the local agencies to submit a remap application by July 1, 2007 with a subsequent effective map date occurring early in 2008. Consistent with past applications to FEMA, City staff is recommending that City Council approve an A99 Zone application to FEMA. Staff from Sacramento and Sutter Counties are recommending their respective Boards approve this same A99 Zone application.

Policy Considerations: This action is consistent with the City Council focus areas of Public Safety, Economic Development and Sustainability and Livability. An A99 Zone designation allows City Council continued discretion regarding landuse decisions in the Natomas area.

Environmental Considerations: This recommendation does not constitute a "project" and therefore is exempt from the California Environmental Quality Act (CEQA).

Commission/Committee Action: None required

Rationale for Recommendation: Since 1986, FEMA has twice approved the City of Sacramento's application for an A99 designation based on adequate progress of the flood control system. The current situation is consistent with these prior designations.

Financial Considerations: No additional City funding is required.

Emerging Small Business Development (ESBD): No goods or services are requested with this report.

Respectfully Submitted by: _____
Dave L. Brent, Division Manager

Approved by: _____
Gary A. Reents, Director of Utilities

Recommendation Approved:

_____
for Ray Kerridge
City Manager

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Attachment 1

Background

The Natomas Basin (Basin) is bounded on the south by the north levee of the American River, on the west by the east levee of the Sacramento River, on the north by the south levee of the Natomas Cross Canal and on the east by the west levee of the Natomas East Main Drainage Canal (NEMDC). The Basin includes portions of the City of Sacramento, Sacramento County and Sutter County (City and Counties), see Attachment 2.

Providing flood protection for the Natomas Basin is one component of the ongoing flood control plan for the greater Sacramento area to provide 200-year protection to the region. As the City and the two Counties work to achieve 200-year protection, the regulatory flood zone designation for the Basin has been a continual work in progress.

Improving the levees that protect the City and the Basin began following the record storms of 1986 after which the Army Corps of Engineers (Corps) decertified the levee systems protecting the Sacramento urban area. In 1989, the Sacramento Area Flood Control Agency (SAFCA) was formed, funded and embarked on its stated goal of achieving a minimum of 200-year level of flood protection for Sacramento. Since that time, SAFCA in partnership with the Corps and the State has a spent over $300 million in levee improvements and other flood control enhancements. These ongoing efforts have resulted in the restoration of a minimum of a 100-year level of flood protection for most of the Sacramento urban area.

In 1998, after a significant portion of the Natomas Basin project had been completed, the Corps certified the levees as providing 100-year protection for the Basin. The work didn't stop there and as part of the ongoing flood control project for the Natomas Basin, SAFCA conducted a study to evaluate the Natomas levee system and determine the improvements needed to provide the Basin with at least 200-year level of protection. SAFCA compiled the results of the study in a report entitled Natomas Levee Evaluation Study, dated July 14, 2006. SAFCA's study concluded that selected reaches of the levee system, certified in 1998, failed to meet freeboard criteria based on new hydraulic modeling and failed to meet new criteria for underseepage. In addition, several erosion sites have developed since the 1998 certification. In a letter dated July 20, 2006, the Corps concurred with SAFCA's findings and informed FEMA that they would no longer support their 1998 certification of these levees.

Construction elements identified in the SAFCA report to address freeboard, underseepage and erosion are collectively referred to as the Natomas Levee Improvement Project (NLIP).

The NLIP consists of two phases. SAFCA estimates that Phase 1 will cost approximately $260 million and when completed will provide 100-year level of flood protection for the Basin. SAFCA estimates that Phase 2 will cost an additional $154 million and when completed will provide 200-year level of flood protection. The total estimated cost for Phases 1 and 2 is $414 million. Funding for Phase 1 is secured through a combination of Federal, State and local funds and includes: (1) Federal funding of approximately $6

million, (2) State funding of approximately $180 million and (3) local funding of approximately $74 million authorized by SAFCA through the successful passage on April 26, 2007 of the local assessment district. Development fees being contemplated by SAFCA are not required to fund Phase 1 of the project. SAFCA estimates that Phase 1 will be completed in 2010 and Phase 2 will be completed in 2012.

Referencing the Corps July 20th letter, FEMA, in letters dated December 29, 2006, to the City and the two counties, stated their plans to revise the community's existing Flood Insurance Rate Map (FIRM) for the Natomas Basin. The FIRM revision would place the entire Basin in an unspecified Special Flood Hazard Area (SFHA). Since receiving the December 29, 2006, staff from the three local agencies has worked closely with the FEMA regional office and it has been agreed upon that the three local agencies will submit a joint map revision application by July 1, 2007.

Knowing that SAFCA and the local agencies have been proactive in identifying needed flood control projects and have been actively working on securing funding, FEMA has agreed that the application process will move forward after the outcome of the SAFCA assessment vote and with the presumption that State Measure 1E bond funds will be authorized as part of the official adoption of the State budget and through funding agreements with the Department of Water Resources (DWR) and SAFCA. This presumption is key to the application for the A99 designation as a project must be 100 percent authorized to qualify for the A99 determination. As noted previously, SAFCA anticipates that the State of California will provide approximately $180 million of funding for Phase 1 by appropriation of Measure 1E monies over the length of Phase 1 construction. Presently, the State's budget for fiscal year 2007-2008 shows a commitment of $37.5 million for Phase 1 and SAFCA is working on obtaining an agreement with the State indicating the State's intent of funding the balance of the $180 million in succeeding years.

Consistent with past City applications to FEMA, staff recommends that Council apply for an A99 flood zone designation. In reviewing the Federal regulations for flood zone designations, it is evident that the City and Counties meet the intent of the A99 regulation. Some of the key items required to qualify for A99 status include the following:

1. 100% of the total financial project cost of the completed flood protection system has been authorized.

2. At least 60% of the total financial project cost of the completed flood protection system has been appropriated.

3. At least 50% of the total financial project cost of the complete flood protection system has been expended.

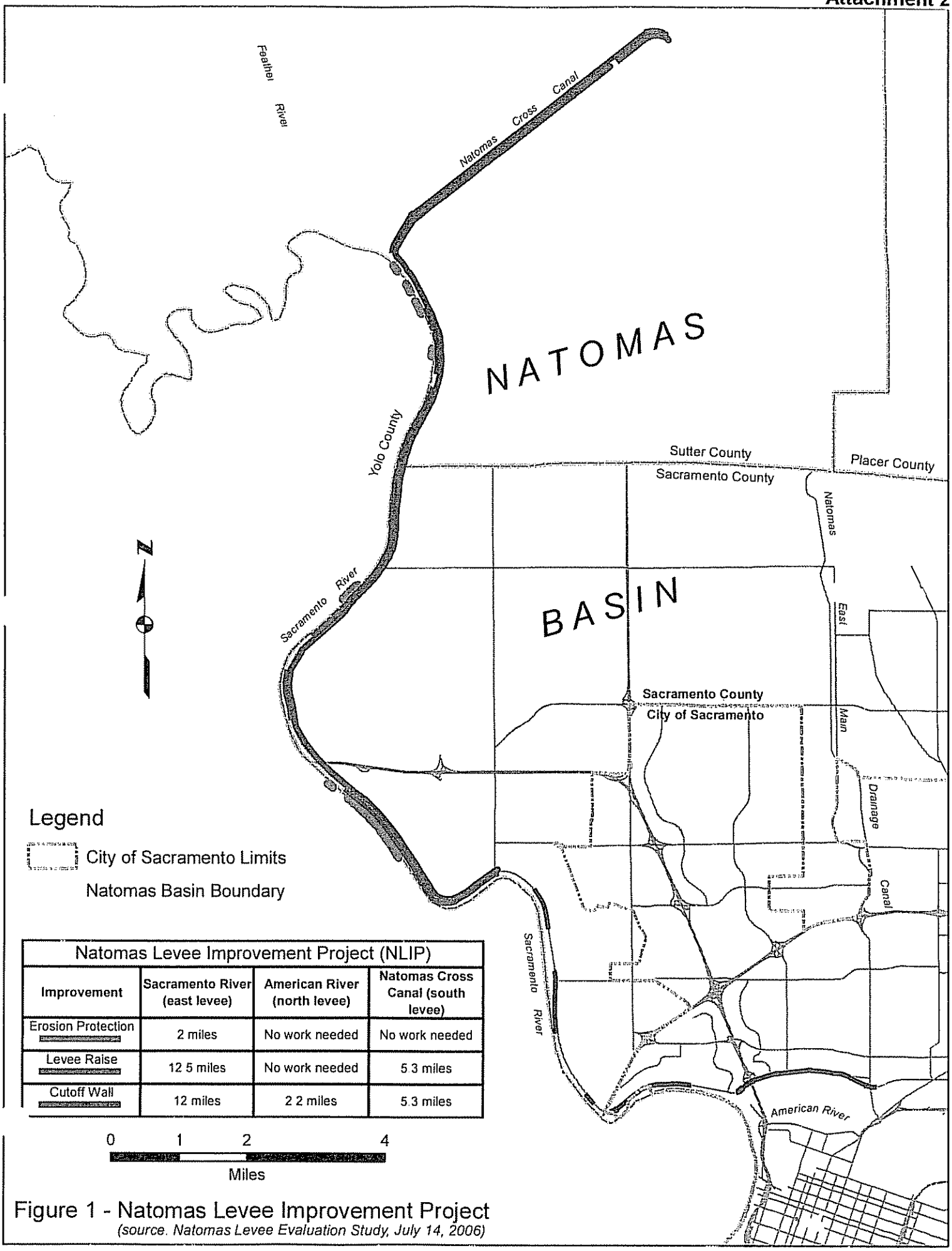
4. All critical features of the flood protection system are under construction and each critical feature is 50% completed as measured by the actual expenditure.

5. The community has not been responsible for any delay in the completion of the flood protection system.

In the City's previous A99 applications, FEMA has concurred that inclusion of existing Federal and local flood control facilities and projects, which provide protection to the Natomas Basin, apply to the appropriated and expended criteria noted in items 2 and 3 above. Specifically, the existing flood control infrastructure including the original levees, constructed with the Sacramento River Flood Control Project, and other project work accomplished such as the Sacramento Urban Area Levee Reconstruction Project, North Area Local Project, Sacramento Bank Protection Project and the American River Common Features Project are all part of the ongoing and long-term plan for flood control for the Natomas Basin. Combining the existing flood control infrastructure costs with the NLIP costs yields an appropriation exceeding 60% and an expenditure exceeding 50% of funds for the completed flood protection system. Since the existing levees protecting the Basin are the critical features of the project, the expenditure percentage, which exceeds 50%, represents the percentage of critical features completed.

As noted above, the community has a long history of prioritizing flood control and supporting needed levee improvements as demonstrated by the overwhelming support and passage of local assessments in 2000 and the recently passed 2007 SAFCA assessment. This financial commitment and the City Council's long standing priority on flood control have assured that the community has never been responsible for any delay in the completion of the flood protection system as required in item 5 above.

The A99 zone will make flood insurance mandatory for property owners in the Natomas Basin. There are no federal building restrictions mandated by the A99 designation. With the presumption of adequate funding and FEMA's willingness to work with the local agencies in anticipation of this funding, the proposed application is consistent with the intent of the A99 criteria. It is also an appropriate designation given Sacramento's proactive, ongoing, flood control program that has identified deficiencies in the existing Natomas Basin levee system in advance of FEMA's national program mandating levee assessments and recertifications.



Natomas Levee Improvement Project (NLIP)			
Improvement	Sacramento River (east levee)	American River (north levee)	Natomas Cross Canal (south levee)
Erosion Protection	2 miles	No work needed	No work needed
Levee Raise	12 5 miles	No work needed	5 3 miles
Cutoff Wall	12 miles	2 2 miles	5.3 miles

Figure 1 - Natomas Levee Improvement Project
(source. Natomas Levee Evaluation Study, July 14, 2006)

Attachment 3

RESOLUTION NO.

Adopted by the Sacramento City Council

A99 FLOOD ZONE APPLICATION TO FEMA FOR THE NATOMAS BASIN

BACKGROUND

A. SAFCA and the U.S. Army Corps of Engineers have determined that the existing levees surrounding the Natomas Basin no longer provide 100-year flood protection.

B. FEMA in letters to the City, Sacramento County and Sutter County, dated December 29, 2006, stated their intent of remapping the Natomas Basin into a Special Flood Hazard Zone.

C. FEMA, working with City and Counties staff, has agreed to let the City and Counties submit a remapping application by May 15, 2007.

D. City meets the intent of the regulations for A99 flood zone designation, but will need some special consideration from FEMA in regards to the timing of available funds for the Natomas Levee Improvement Project.

E. The City and Counties application for A99 is consistent with previous FEMA determinations of A99 requirements in Sacramento.

F. It is anticipated that the Board of Supervisors for Sacramento and Sutter Counties will support the A99 Zone application to FEMA.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. City Council supports the joint application with Sacramento and Sutter Counties to FEMA for an A99 flood zone designation for the Natomas Basin. City Council authorizes the City Manager to submit a joint A99 application to FEMA and City Council requests the A99 designation from FEMA.