



**Supplemental Material
Received at the Meetings of
City Council
Redevelopment Agency
Housing Authority
Financing Authority
For**

June 21, 2007

Item # 32: Agreement: Jibboom Street Power Station Site

- a. Powerpoint slide handouts submitted to Council by Economic Development staff member Rachel Hazlewood.

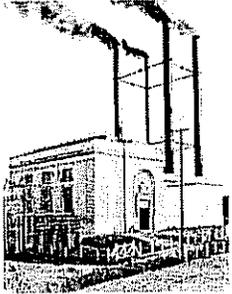
Item # 33: Submission of Remap Application to Federal Emergency Mangement Agency (FEMA) for the Natomas Basin

- a. Letter to Council submitted by James Pachi representing Environmental Council of Sacramento and Friends of the Swainson's Hawk urging rejection of staff's recommendation and suggesting options.
- b. Letter to Council submitted by Pamela Nieberg, Co-Chair of the Sierra Club Yolano Group, expressing concern regarding the proposed flood designation request.

CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT DEPARTMENT

**Adaptive Reuse
of the Jibboom
Street Power
Station**

June 21, 2007



CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT DEPARTMENT

Located on the Sacramento River in the River District



CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT DEPARTMENT

Background

- In June 2005, City conducted a Request for Proposals for the site
- Objectives:
 - Preserve distinctive architectural features of the Historic Landmark Building
 - Establish visitor attraction (such as a museum) within the structure
 - Include restaurants, cafés or retail
 - Enhance public use of Jibboom Street Park
 - Achieve orientation to and integration with the riverfront
 - Serve as a catalyst redevelopment project

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ECONOMIC DEVELOPMENT DEPARTMENT

RFP Results

- Received 5 responses
- Convened a Selection Committee, who chose a proposal from DR Horton
- Selected primarily due to their national reputation and financial strength
- In February 2006 Council approved the selection
- Shortly thereafter, DR Horton withdrew from the process

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ECONOMIC DEVELOPMENT DEPARTMENT

Discovery Museum Proposal

- One of the 5 proposals was from the Discovery Museum for a Science & Space Center
- Selection Committee viewed it favorably but was concerned about their capacity to do the project
- Since then, Discovery has:
 - Added leadership to their board
 - Performed a feasibility study and self assessment
 - Hired a national fundraiser
- Discovery Museum asked City to reconsider their proposal for the site

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ECONOMIC DEVELOPMENT DEPARTMENT

Why Discovery?

- Single biggest user is school groups – Increases children's interest in math & science
- Will fully use the site
 - Integrates Water Intake Structure into the science education
 - Improves and uses the Jibboom Street Park
 - Restaurant provides an active use evenings & weekends – and source of revenue
- Generates another tourism link accessible to Old Sacramento

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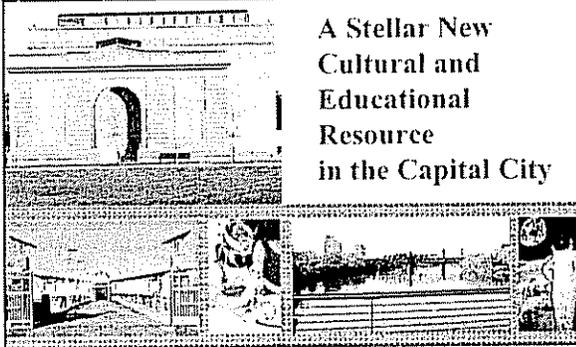
Policy Considerations

- Met requirement for competitive bidding
- Discovery Museum proposal meets the objectives of the Request For Proposals
- An expanded Science & Space Center would be an asset to Sacramento
- Discovery Museum is a nonprofit with decades of experience
- Discovery Museum's proposal fully uses the site and transforms it to an active, public use

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ECONOMIC DEVELOPMENT DEPARTMENT

Today's Action:

- Would approve executing an Exclusive Right to Negotiate ("ERN") with one year term
- During the year, Discovery Center must meet performance targets, including fundraising
- Would allow Discovery Center to perform "due diligence" – site review, museum planning, fundraising, contact community & regulatory groups
- At end of ERN term, City would lease the site to the Museum so City retains ownership of site



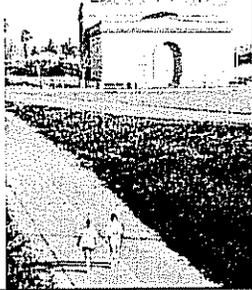
A Stellar New Cultural and Educational Resource in the Capital City

Sacramento Science and Space Center

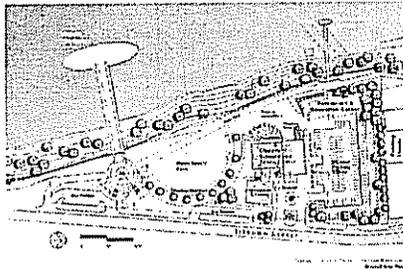
**Creating a Signature Resource:
Our Vision**

To become the premier science & space center serving Northern California outside the Bay Area and an iconic institution:

- A model for 21st-century experiential education in science, math, technology, engineering, and space
- An exemplary "green" building that serves as an environmental teaching lab



**Creating a Signature Resource:
The Site Plan**

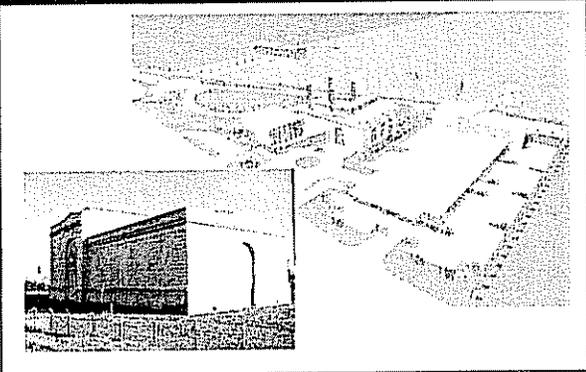


Jibboom Street Power Station Building Site Plan

**Creating a Signature Resource:
The Building**

	Current Museum	Future Museum
Total Space	10,000 square feet	40,000 square feet
Exhibit Space	6,000 square feet	24,000 square feet
Planetarium	Seating for 60	Seating for 150; laser show and film capability
Traveling/Changing Exhibits	No	Yes both science and space
Amenities	Small museum shop	Large museum shop, restaurant/event center, and outdoor eating area

Creating a Signature Resource: The Building



Bringing Together Community Partners

Environmental Stewardship

- The historic Power Station will be a model green building—a living environmental learning lab—that will lend itself to major programming about energy conservation and alternatives
- Proximity to the rivers and Water Intake Plant will “bring to life” programs about water quality and habitats



Bringing Together Community Partners

Aid to Schools

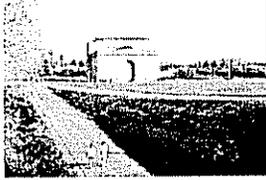
- Science centers are vital partners in enhancing student and teacher education. An expanded facility and state-of-the-art programs will provide sophisticated experiences to complement structured classroom lessons
- Current research shows that informal learning experiences offered in hands-on science centers are very effective

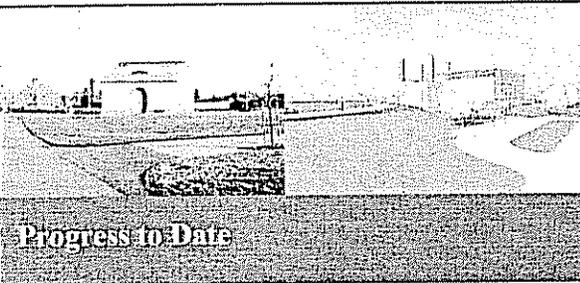


Bringing Together Community Partners

Economic Vitality

- Museums are proven catalysts for neighborhood renewal
- As the anchor in the River District, the Museum will serve as an important educational asset, prime tourist destination, community gathering place, and major event venue
- Vibrant cultural institutions are top-of-list for "quality of life measurement": they are key to keeping and attracting residents





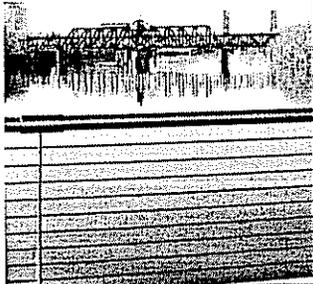
Progress to Date

The planning process to date has created enthusiasm and excitement—many of the critical elements are coming together to make the vision a reality.

Progress to Date

A Leadership Planning Study, based on 50 interviews with business and community leaders, determined that:

- Support for the project is unanimous
- Leadership is available
- Financial support is evident



Progress to Date

Important steps already accomplished:

- The campaign goal of \$27 million has been set: \$22 million for capital, \$4 million for endowment, and \$1 million for program funds
- A campaign timeline has been developed and the plan is being crafted
- Donor naming opportunities have been identified
- The architects have been selected
- An RFP for exhibit design has been sent to prominent museum design firms
- Area public relations firms are being interviewed to develop a positioning plan
- New Board members are being recruited



The Discovery Museum

Sacramento Science & Space Center



Item #33 - 6/21/07

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THIS IS A FAX

DATE SENT: June 21, 2007

TO: SHIRLEY CONCOLINO, City Clerk

NUMBER OF PAGES (including the cover sheet): 5

SUBJECT:

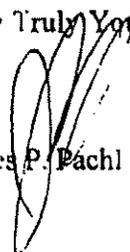
Letter on behalf of ECOS and FOSH regarding proposed FEMA A-99 Zone designation

Council Agenda, TONIGHT, June 21, 2007, Item 33

Dear Ms. Concolino,

Per my telephone conversation today with a member of your staff, please distribute copies of the enclosed letter, consisting of four pages, to the Mayor and all City Councilmembers for tonight's City Council meeting. Thank you very much.

Very Truly Yours,


James P. Pachl

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June 21, 2007

Mayor Heather Fargo
Sacramento City Councilmembers
City Hall, 915 - I Street
Sacramento, CA 95814

VIA FAX and e-mail

Re: City Council meeting, June 21, 2007, Item 33, Application for an A-99 FEMA flood zone rating for Natomas Basin

Comments of Environmental Council of Sacramento and Friends of the Swainson's Hawk

Dear Mayor Fargo and Councilmembers,

This letter is on behalf of Environmental Council of Sacramento and Friends of the Swainson's Hawk, which respectfully urge that the Council:

- (i) **reject staff's recommendation that City apply for a FEMA A-99 Zone for Natomas Basin, and;**
- (ii) **direct Staff to present the alternative of applying for a FEMA AR Zone**

1. **The City would be highly irresponsible if it adopted its Staff's recommendation, which is based upon unsupported speculation and fictions, not upon public safety. FEMA's designation of Natomas Basin as an A-99 Zone would allow potentially thousands of acres of new development in the Basin without even 100-year flood protection, attracting tens of thousands of new residents to live in the nation's second-most dangerous urban flood Basin. Testing by the Corps and SAFCA has shown that the Basin does not meet the minimal 100-year standard. Even if the Basin were to achieve the 100-year standard, the chances of deep flooding from the Sacramento and/or American Rivers would be 1% per year according to currently accepted engineering models, or **26% during any 30 year period**, which is greater than the odds of losing Russian Roulette (16.67%)**

Structural failures of the Yuba and Feather River levees in 1986 and 1997 were caused by underseepage. The Natomas levees are vulnerable to the same conditions. There were near-failures of the Sacramento River levees at Natomas in 1986 and significant problems in 1997.

2. The appropriate FEMA designation for Natomas Basin would be AR Zone, defined by Title 44, Code of Federal Regulations, Section 64.3(a)(1) as:

"Area of special flood hazard that results from the decertification of a previously accredited flood protection system that is determined to be in the process of being restored to provide base flood protection."

The Staff report fails to mention an AR Zone as an alternative for the Council's consideration, nor does the Staff Report discuss those actions which City and County and/or SAFCA could undertake to rapidly qualify for the benefits of an AR Zone.

The AR Zone would permit new development within existing developed areas if building pads were elevated at the base flood elevation or 3 feet above existing grade, whichever is less. Much of the new residential development in Natomas appears to be on pads 2 - 3 feet above the original grade. ECOS and FOSH would not object to FEMA's waiver of the 3-foot requirement within developed areas of the City.

New construction in presently undeveloped areas (the entire Basin outside of the City limits and Airport fence) in an AR Zone would need to be elevated one foot above the base (100-year) flood elevation and meet all other requirements for construction in an area having less than 100-year flood protection. This may displease certain land speculators and developers, but would be no loss for the City. Indeed, such a hiatus in development would provide City Council and staff with partial respite from "Natomas Fatigue." **There is no good reason why land speculators and developers cannot wait until Natomas has 100-year flood protection.**

AR classification would necessarily be preceded by A Zone classification until the 100-year base flood elevations are determined, which could be readily be done by engineers retained by SAFCA or City and Sutter County, after which the Basin should qualify for AR Zone (assuming that SAFCA's plan to restore 100-year protection meets the criteria for AR Zone). ECOS and FOSH would support City efforts to negotiate reduction in flood insurance premiums in an AR Zone.

3. Adoption Of Staff's Recommendation Would Have The City Publicly Urging FEMA To Violate The Law. The Basin clearly does not qualify for an A-99 Zone, which requires that Federal funds be involved and compliance with 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 funding needed to construct these improvements has been authorized, (3) 50% of the total financial cost of the improvements has been expended, (4) all critical features of the project, as identified by the FEMA administrator, are under construction and each critical feature is at least 50% constructed, as measured by actual expenditure of budgeted funds, (5) the community has not been responsible for any delay in the completion of the system. (Title 44 Code of Federal Regulations Section 61.12(b).

The proposed SAFCA project is not a Federal project and fails to meet criteria (1) to (4). City Staff recommends that the Council ignore the requirement that this be a Federal project and adopt the ridiculous fiction that the "completed flood protection system" includes the original (defective) levees constructed by the Sacramento River Flood Control Project (approx. year 1912) and everything else constructed since then. The Staff Report also relies on the

unsupported assumption that the State will provide \$180 M of flood bond money, and that the State will approve the SAFCA project plan and estimate of the project cost.

Most importantly, the consequence of adoption of Staff's position by FEMA would be the potential for new development in the Basin (Greenbriar, Joint Vision, South Sutter) that would bring tens of thousands of new residents to the second-most dangerous flood Basin in the nation which lacks even 100-year protection - exactly the result which the FEMA regulations are intended to prevent. ECOS and FOSH would, of course oppose FEMA's approval of such a request by City.

Guidance to the applicability of the A-99 Zone can be found in the regulations governing an AR Zone, which applies when a previously certified flood control system is de-certified. For the AR Zone to be applicable, there must be a pre-existing system that is decertified. If City Staff's interpretation were adopted by FEMA, consideration of the pre-existing facilities as part of the current project would trigger an A-99 Zone in many instances where a pre-existing system is decertified. Even New Orleans might qualify for an A-99 Zone under Staff's criteria. Yet FEMA regulations governing determination of an AR Zone has no provision for consideration of the pre-existing system as part of the current project in determining whether an AR Zone or an A-99 Zone is applicable.

If FEMA were to adopt City staff's position of counting pre-existing facilities as part of the current project, FEMA would be required to approve an A99 Zone for many communities where there were existing flood control facilities which were de-certified or were never certified, and the community provided a semblance of a plan and a budget for a project.

4. The Staff Report Misrepresents Prior A-99 Zone Approvals. The Staff Report, page 2, claims that:

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

In fact, (a) FEMA designated the Basin as A-99 in 1988 in response to one-time Congressional legislation, now expired, that prohibited FEMA from mapping the Basin's flood elevations. The second instance occurred after expiration of the legislation, after the Sacramento River levee improvements were completed and there remained unfinished only the improvement of the internal RD 1000 stormwater drainage system and the final phases of the NEMDC improvements. **Most importantly, the City had declared a moratorium on residential development in the Basin after 1986 until 100-year certification was achieved.**

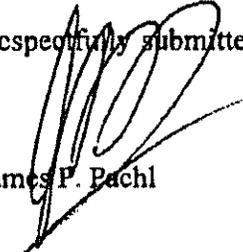
5. The Estimated Cost And Date Of Completion Of Work Needed For 100-Year Certification Is Too Speculative To Support An A-99 Designation For The Basin. SAFCA's planning is ongoing, and it is unclear how certain problems will be grappled with. The DEIR/EIS for the improvements along the Sacramento and American Rivers has not been issued, and construction has not started. There is no evidence that the State has yet approved the plan or budget. **Flood control projects in this region have consistently incurred massive cost overruns and delays, and there is no reason to believe that the much more massive SAFCA project will not suffer the same problem.** Even the relatively simple emergency repairs on

the Sacramento River system in 2006 and 2007 were hampered with major cost overruns and substantial delays due to shortages of specialized equipment and contractors willing and able to do the work. **The proposed SAFCA project is far more complex and massive, and faces engineering and cost uncertainties.** The assumption that all improvements needed to achieve 100-year certification will be completed is very optimistic and ignores the almost certain likelihood of large cost overruns, delays, and unanticipated engineering challenges that are very likely to delay project completion for years.

The Environmental Council of Sacramento and Friends of the Swainson's Hawk urges the to City seek AR Zone status for the Basin, which would allow the City to complete its North Natomas Community Plan

Thank you for the opportunity to comment

Respectfully submitted,



James P. Pacht

cc: City Manager Ray Kerridge (via e-mail)
Rep. Doris Matsui (via e-mail)

June 21, 2007



SIERRA
CLUB
FOUNDED 1892

Yolano Group 
MOTHERLODE CHAPTER

Explore, enjoy, and protect the planet.

To: Mayor Heather Fargo and City of Sacramento City Council Members:
From: Sierra Club Yolano Group
Re: Agenda item request by City Staff to authorize execution of a joint application with Sutter County to FEMA for an A99 designation for the Natomas basin.

Mayor and City Council Members:

The Sierra Club Yolano Group has reviewed the staff reports regarding the above cited agenda item as well as other pertinent documents and has serious concerns with the proposal to request an A99 designation for the Natomas Basin. There are significant differences in assertions in the staff report and the reality of the status of flood control protection for the Natomas basin. The basin is a flood plain. The levees cannot be certified at a 100 year flood protection level. A plan is proposed to address the problems and to bring the levees to a 200 year flood control status, but the plan has not been implemented nor has it been fully funded. Building should cease until the levees can be brought up to 200 year flood protection. The staff recommendation contradicts current environmental policies which call for a moratorium on new development in the basin until levees are safe for urban development. Furthermore, the basin does not legally qualify for an A99 designation as most of the criteria for such a designation are not met, as we will discuss below.

As a result of more recent Natomas basin levee evaluations by SAFCA and the Army Corps of Engineers, in a letter dated July 20, 2006, the Corps informed FEMA that they could no longer support the 1998 certification of these levees as providing 100 year flood protection. The studies revealed that many of the levees certified in 1998 did not meet freeboard criteria and failed to meet new criteria for under-seepage. Several erosion sites have also been identified since the certification. SAFCA has developed a plan to address these problems, called the Natomas Levee Improvement Project (NLIP). This project will take place in two phases: The first phase when completed will provide 100 year flood protection and is projected for completion by 2010. The second phase will provide 200 year protection and is projected for completion by 2012. The total cost is estimated to be \$414 million.

Since the levees currently lack 100 year certification, FEMA has the power to designate the Natomas Basin as a Special Flood Hazard Area. This would require that the first floor of any new buildings in the basin be at or above the base flood elevation and that property owners would have to carry flood insurance for all existing and future dwelling units. The elevation requirement would essentially stop development in many areas in the basin as the flood depths in parts of the basin top 20 feet, and it would be impractical to elevate building to that height. FEMA could alternatively impose restrictions on development that would allow building only in "infill" areas and require new structures to be elevated three feet. The local building industry does not want restrictions on development and has lobbied the city and county to appeal to FEMA to "bend the rules" to permit continued development in the Natomas basin, despite failing levees and potential for breaks and severe flooding in heavy storm years. The city is now considering doing just that. City staff is recommending requesting an A99 designation for the city and county that would allow continued unrestricted building in a flood plain, putting thousands of people's lives at risk and potentially resulting in millions or billions of dollars of damage in the basin.

In the staff report released requesting authorization for execution of an application from the city of Sacramento and counties of Sacramento and Sutter for an A99 designation for the basin, staff is maintaining that the city and counties meet the intent of the A99 designation. Some of the key elements to qualify for the A99 status are: that 100% of the total cost of the project has been authorized; at least 60% has been appropriated; at least 50% of the total cost has been expended; and all critical features are under construction and each is 50% completed. In fact, most of these requirements have not been met.

In the report, staff assumes FEMA concurrence that existing flood control infrastructure, including the original levees, should be included as part of the project to bring the levees in the basin to 200 year flood protection. Only by including past flood control work with the proposed NLIP can the requirements that at least 60% of costs have been appropriated and that at least 50% of the total costs have been expended. Staff is also assuming that past work be counted toward qualifying for the A99 designation when they assert that the request meets the criteria that all critical features are under construction and 50% are complete. Furthermore, staff is assuming that the State of California will provide roughly \$180 million in funding through the Measure E1 monies. This assumption is critical to the request to apply for an A99 status. Without it, the first criteria are not met: that 100% of the funding has been authorized.

Staff is requesting that the city ask FEMA to break the law by adopting an interpretation of the requirements for A99 designation which is not authorized by any regulation. In fact, this project does not qualify for an A99 designation, and to ask FEMA to grant this designation is asking them to break laws established by Congress. The first issue here is the inclusion of past flood control work as part of the newly proposed NLIP. Past projects are not part of the existing NLIP and cannot be counted toward meeting the requirements. Therefore, the City and Counties do not meet the criteria that all critical features are under construction and each is 50% completed and that 50% of the funds have been expended. In fact, no critical features are under construction, as this project has not even broken ground yet. For the same reason, none of the costs in the current NLIP have been expended. Staff is also assuming that the State will be forthcoming with the \$180 million from E1 monies, while to date, the state has only designated \$37 million for Phase 1 of the project, and there is no guarantee there will be any future funding. Therefore, the first criterion is also not met.

Federal rules also state that the A99 designation can apply only in situations where the flood improvements are financed with Federal money. The budget for the Natomas levee improvements is expected to come almost completely from state and local sources. This is clearly not a federal project and does not qualify for an A99 designation.

If this designation is given here based on breaking the established laws, this could set a precedent for the rest of the country. Other cities will be watching. If FEMA breaks the rules to allow an A99 designation in this case, it will have little choice but to grant A99 designations to all the other flood-prone areas in the country.

The Sierra Club Yolano Group urges the Sacramento City Council and mayor to reject staff recommendation to request an A99 designation for the City of Sacramento and Counties of Sacramento and Sutter. The Natomas basin is a flood plain. Building of homes here should never have been allowed in the first place, and continuing to permit it before levees can provide 200 year flood protection is criminal. FEMA has already indicated that they consider this area to be a special flood hazard area. The city and county should make every effort to bring all the levees up to 200 flood control standards before any more building takes place in the Natomas basin.

Thank you for your consideration.

Pamela S. Nieberg
Co-chair, Sierra Club Yolano Group