

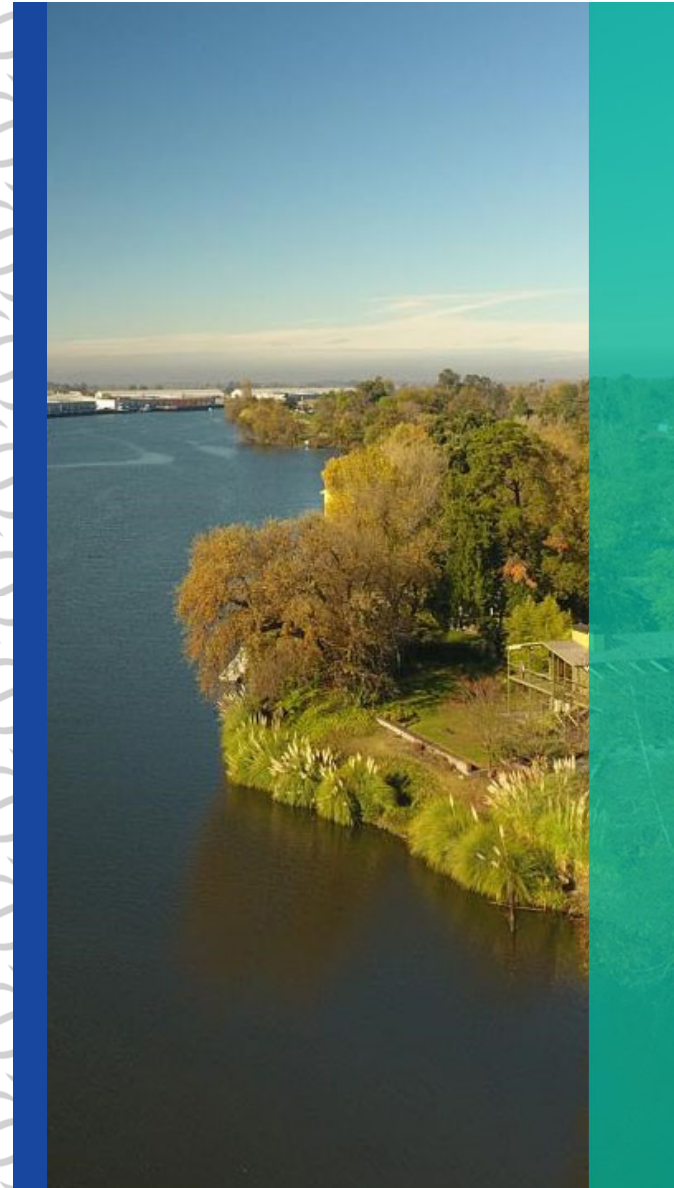


Levee Construction & Maintenance Assessment

City of Stockton City Council

May 23, 2023

Agenda Item 15.3



Overview

- What is SJAFCA?
- What is SCFCWCD Zone 9?
- Problem & Solution
- Proposed Property Assessment
- Balloting Process & Timeline
- Q&A

What is SJAFCFA?

- Joint Powers Authority (1995)
 - Stockton, Lathrop, Manteca
 - San Joaquin County
 - San Joaquin County Flood Control & Water Conservation District
- Reduce and manage flood risk
- Plans, finances, implements projects and programs
- 9-member Board of Directors



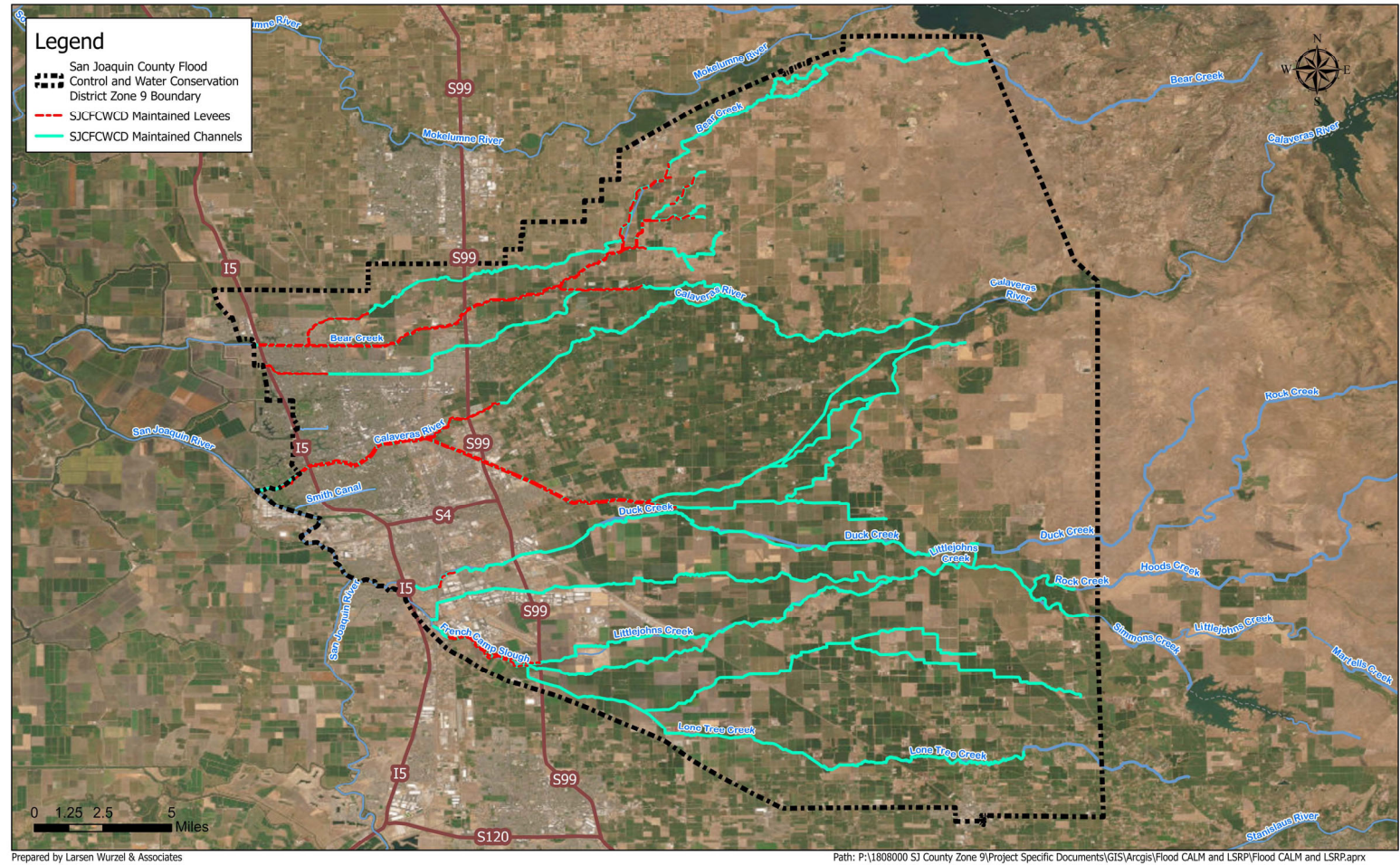
What is SCFCWCD Zone 9?

- San Joaquin County Flood Control & Water Conservation District Zone 9 (1961)
- Division of San Joaquin County
- Maintains:
 - 112 miles of urban levees
 - 119 miles of urban channels
 - 3 miles of rural levees
 - 152 miles of rural channels



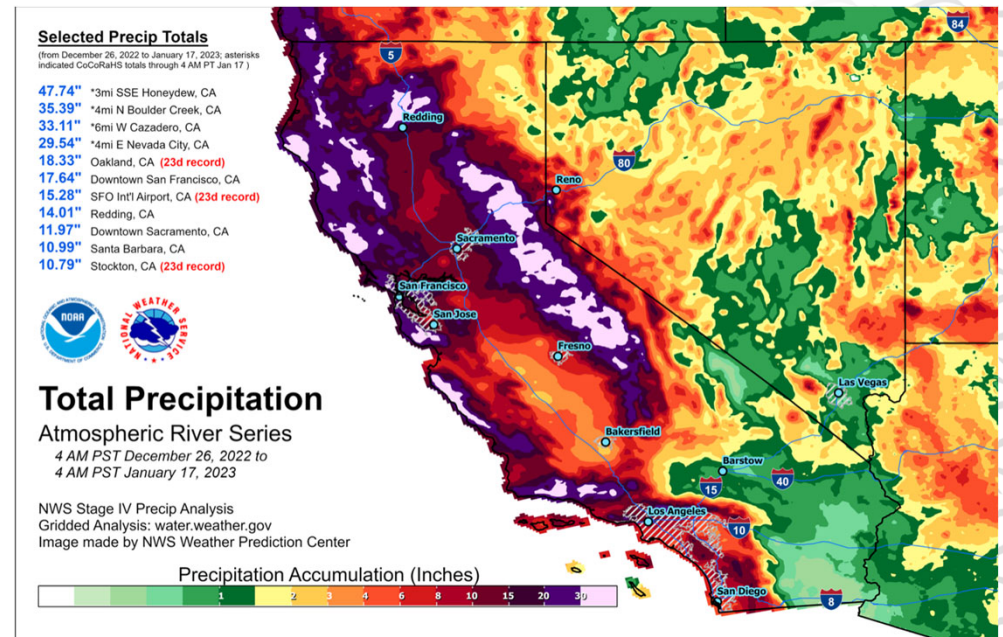
Zone 9 Maintained Facilities

Figure 1: Zone 9 Levees and Channels



Challenges

- State/federal regulations for flood protection are becoming stricter
- Weather extremes are unpredictable
- Every major storm event stresses levee system
- Levees are the only/last defense against flooding



Problems to Avoid

- Physical damages from flooding
 - Calaveras/San Joaquin Rivers
 - Creeks, Sloughs, Channels
- Financial impacts from failure to meet changing state/federal regulations
 - FEMA remapping of Special Flood Hazard Areas
 - Loss of federal funding for emergency repairs to levees

Cost of Flood Damage

Depth	Cost
1 inch	\$10,819
6 inches	\$21,161
1 foot	\$29,360
2 feet	\$36,360
3 feet	\$39,831
4 feet	\$43,400

Source: FEMA, based on 1,000 SF home



Within proposed assessment district = 2,363 active NFIP Policies

Cost of Regulatory Impacts

FEMA Special Flood Hazard Areas

- ✓ Mandatory insurance for properties with mortgages/loans
- ✓ Costs increase 18% per year
- ✓ Won't fully cover damages
- ✓ Slow payment of claims

Zip Code	Average Current Premium	Average Risk-Based Premium	Difference
95203	\$ 959.13	\$1,736.52	+ \$777.39
95204	\$1,048.75	\$1,655.84	+ \$607.10

Source: FEMA Risk Rating 2.0: Projected Premium Changes by Zip Code

Cost of Regulatory Impacts

Public Law 84-99

- ✓ Loss of eligibility for federally-funded emergency repairs
- ✓ Cost of repairing levees is 100% community responsibility
- ✓ Repairs typically \$1M or more



How do we defend lives, property?

- 1) Improve levee maintenance services
- 2) Improve levees beyond 100-year level of flood protection



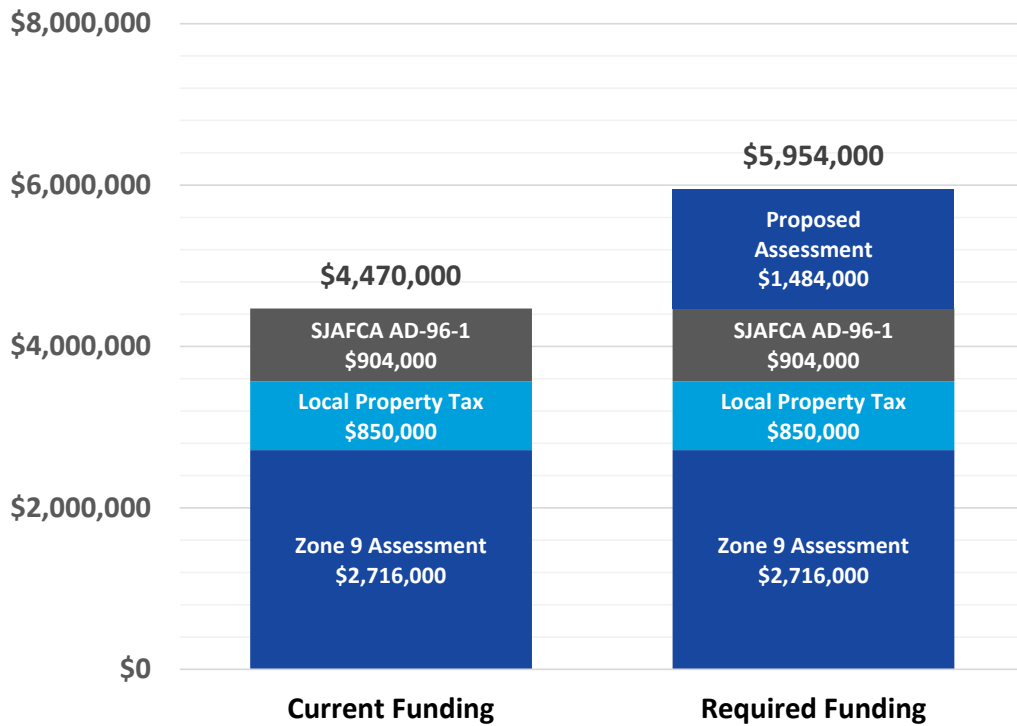
Improve Levee Maintenance (O&M Services)

Adequately fund maintenance for existing and improved levees

- Removal of debris that obstructs storm water and flood flows, damages levees
- Vegetation removal and control
- Rodent removal and control
- Levee patrol during high water warning and flood stages
- Resurfacing of levee maintenance and patrol roads
- Construction of erosion repair and protection
- Repair of levee embankments
- Inspection and repair of gates
- State and federal inspections and evaluations
- State and federal permit applications and compliance



Zone 9 Project Levee O&M Funding Need



Categories	Annual Budget
O&M	\$5,426,000
Engineering	\$70,000
State & Fed Coordination	\$305,000
Admin, Legal, Compliance, Insurance	\$153,000
Subtotal Budget	\$5,954,000
Current Zone 9	(\$2,716,000)
Property Taxes	(\$850,000)
SJAFCA AD 96-1	(\$904,000)
Subtotal Revenues	(\$4,470,000)
LCMA Zone 9 O&M Budget	\$1,484,000

Improve Levees (Capital Services)

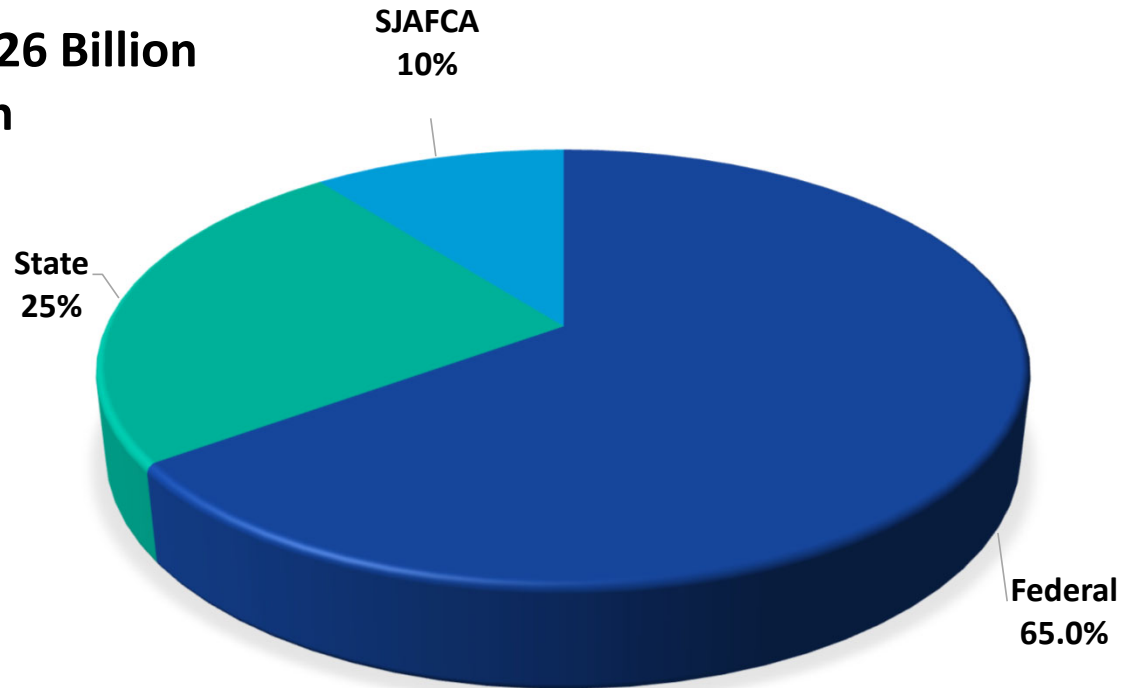
- Lower San Joaquin River Project
 - \$1.4 billion Federal project
 - Increases level of protection along Calaveras and San Joaquin Rivers/Delta (closer to 200-year)
 - Project includes:
 - 23 miles of cutoff walls
 - 16 miles of other improvements
 - 2 closure structures (including Smith Canal Gate)
 - Construction to begin in 2024
- Other projects necessary to maintain FEMA accreditation for 100-year flood protection

Figure 2: Lower San Joaquin River Project



Lower San Joaquin River Project Cost Share

State/Federal = \$1.26 Billion
Local = \$140 Million



Based upon USACE 2017 cost estimate & Lower San Joaquin River Project Partnership Agreement

Economic Impact Analysis Summary

Overall Project Impacts

- Estimated total **economic output of \$1.83 billion** (2023\$) in the San Joaquin County (County) economy over a 19-year construction period

Prior Investment (2014–2022)

- \$25.5 million in hard construction costs, estimated to have generated a **total economic output of \$37.1 million** in the County economy
 - Includes a total of **\$17.4 million in labor income**
 - Supported an average of about **30 jobs annually**

Planned Project Construction (2023–2033)

- Estimated **total economic output of \$1.79 billion** (2023\$) in the County economy
 - Includes a total of **\$776.5 million in labor income**
 - Expected to generate an average of about **1,000 jobs annually**

Annual Funding Requirement

Additional O&M of Zone 9 Levees:	\$1,484,000
Capital Improvement and Incremental O&M:	<u>\$6,200,000</u>
Estimated Annual Budget:	\$7,684,000*

**Proposed Budget for 2023/24. Can be increased each year by CPI, capped at 4%*

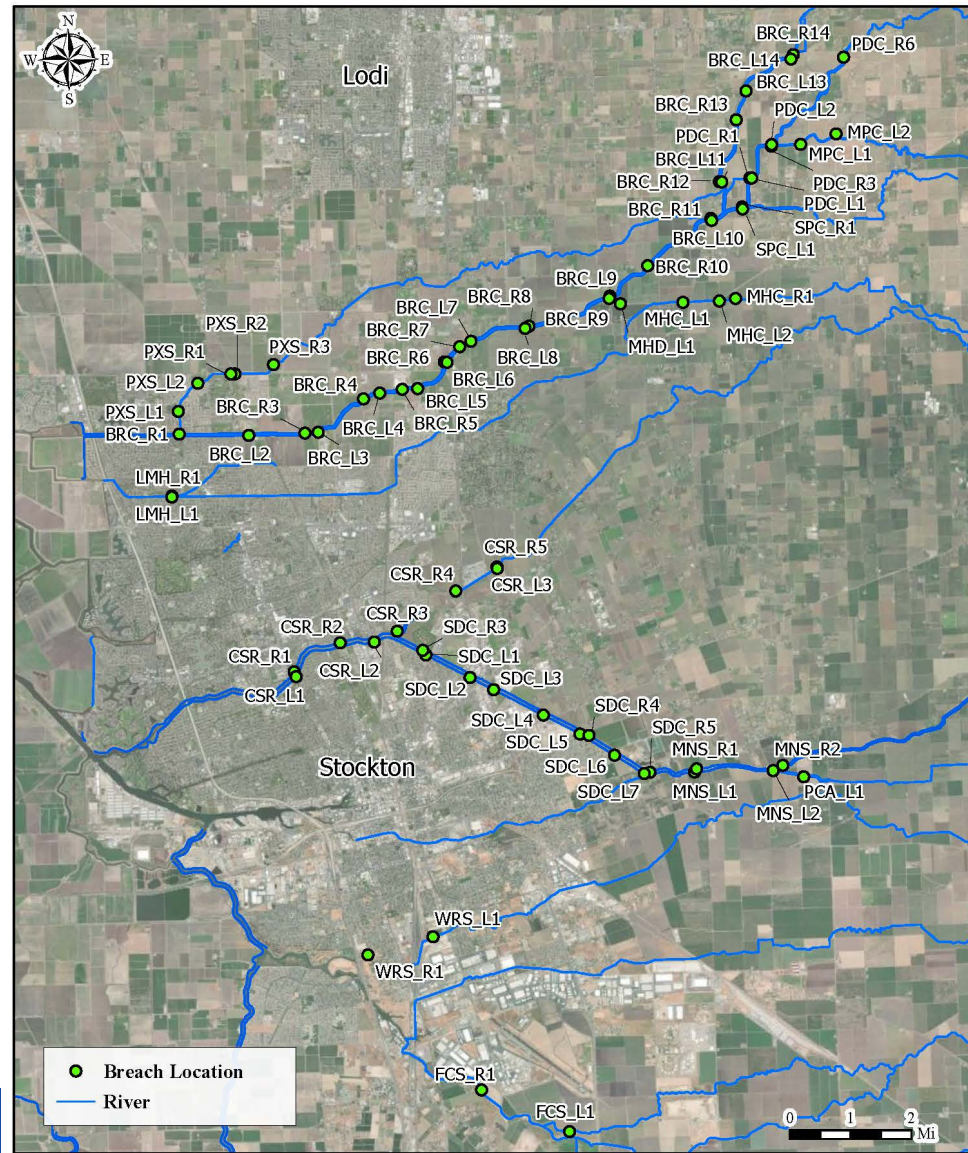
Proposed Assessment

Properties can only be assessed for benefit received

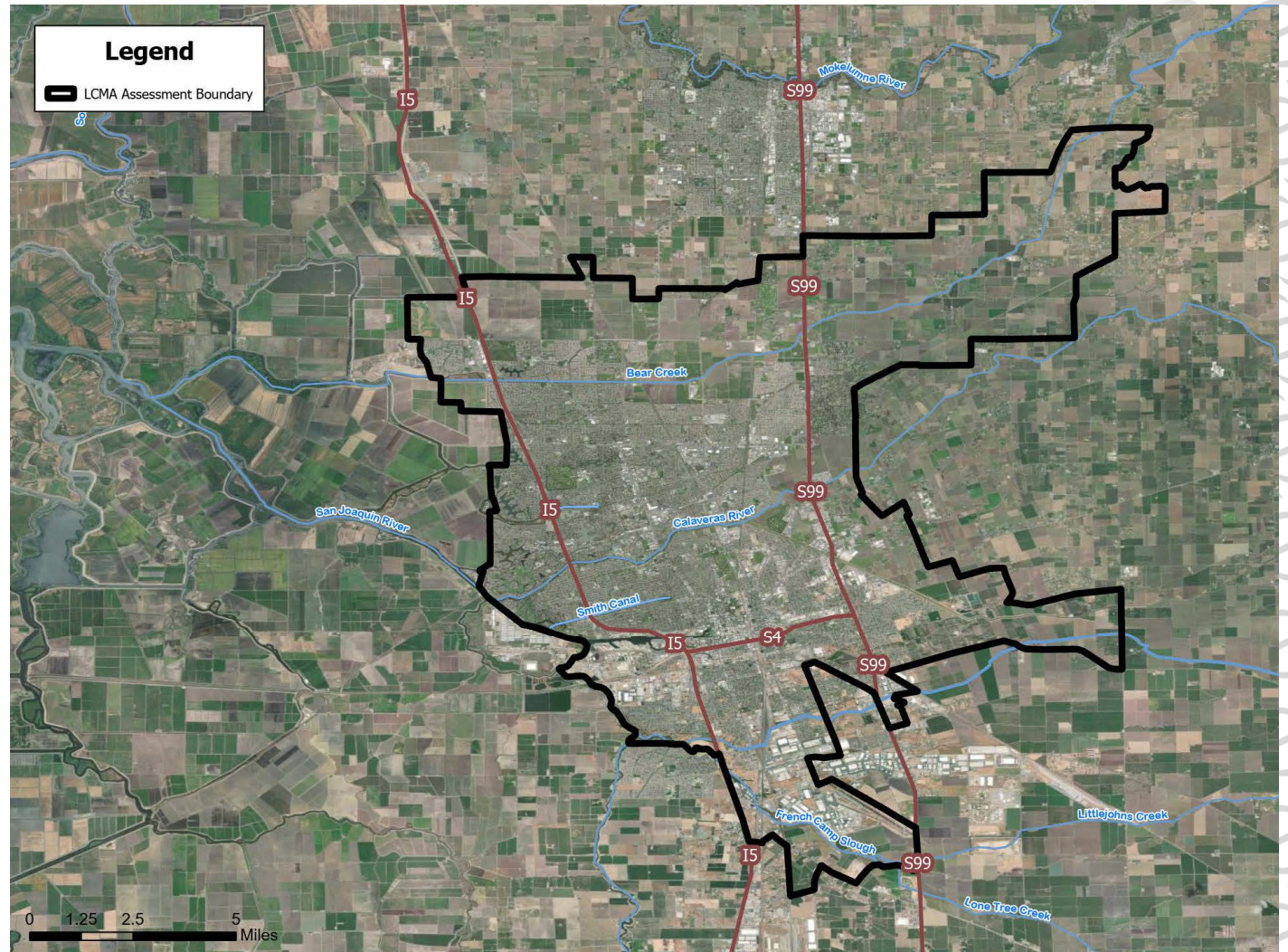
- Avoided flood damages to land, structures and contents
- Avoided financial impacts of not meeting state/federal regulations for levee maintenance and levels of protection
- Assessment revenues may not be used for any purpose other than levee improvements and maintenance

O&M Breach Locations

Zone 9 Project Levees

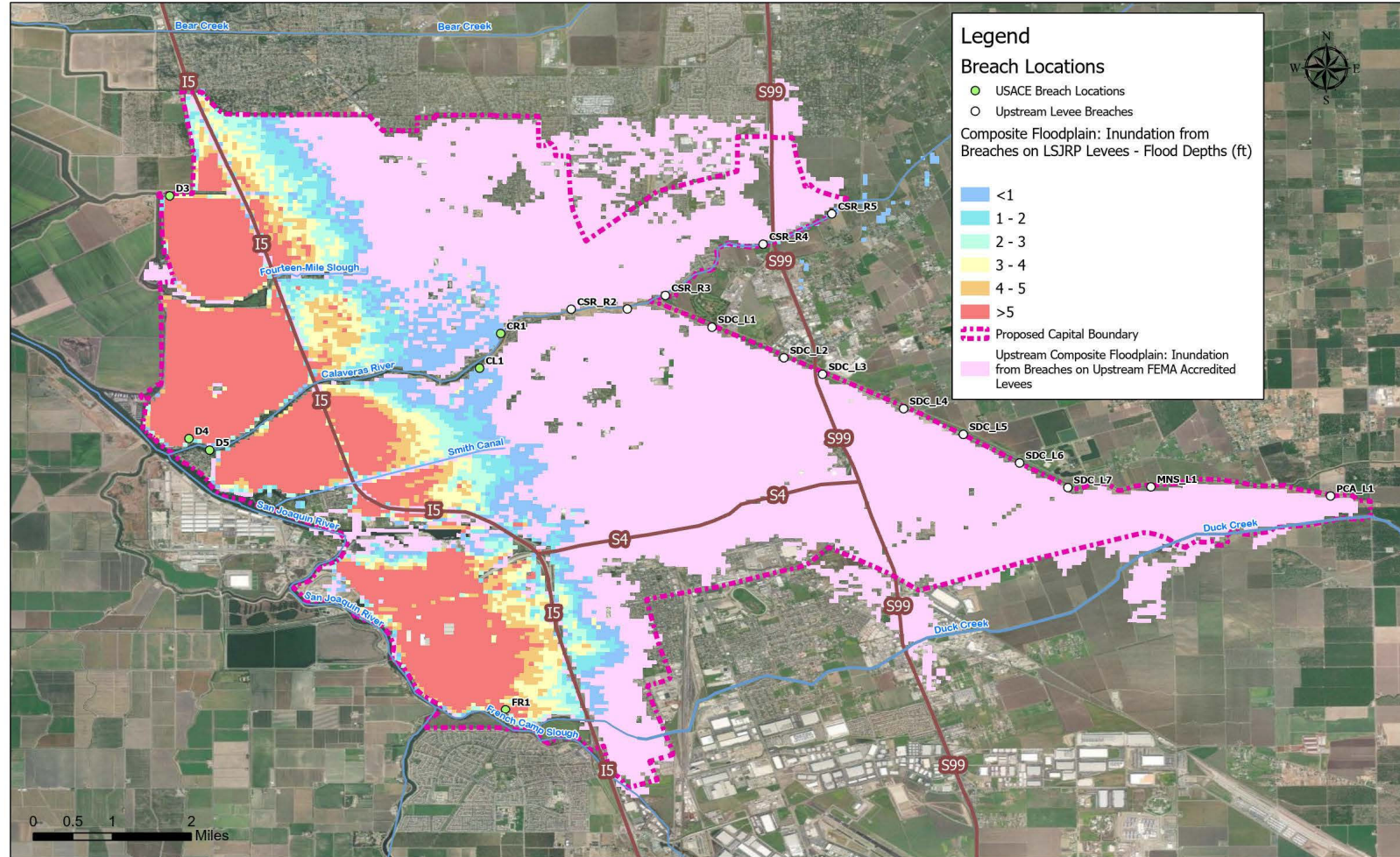


LCMA Boundary Map



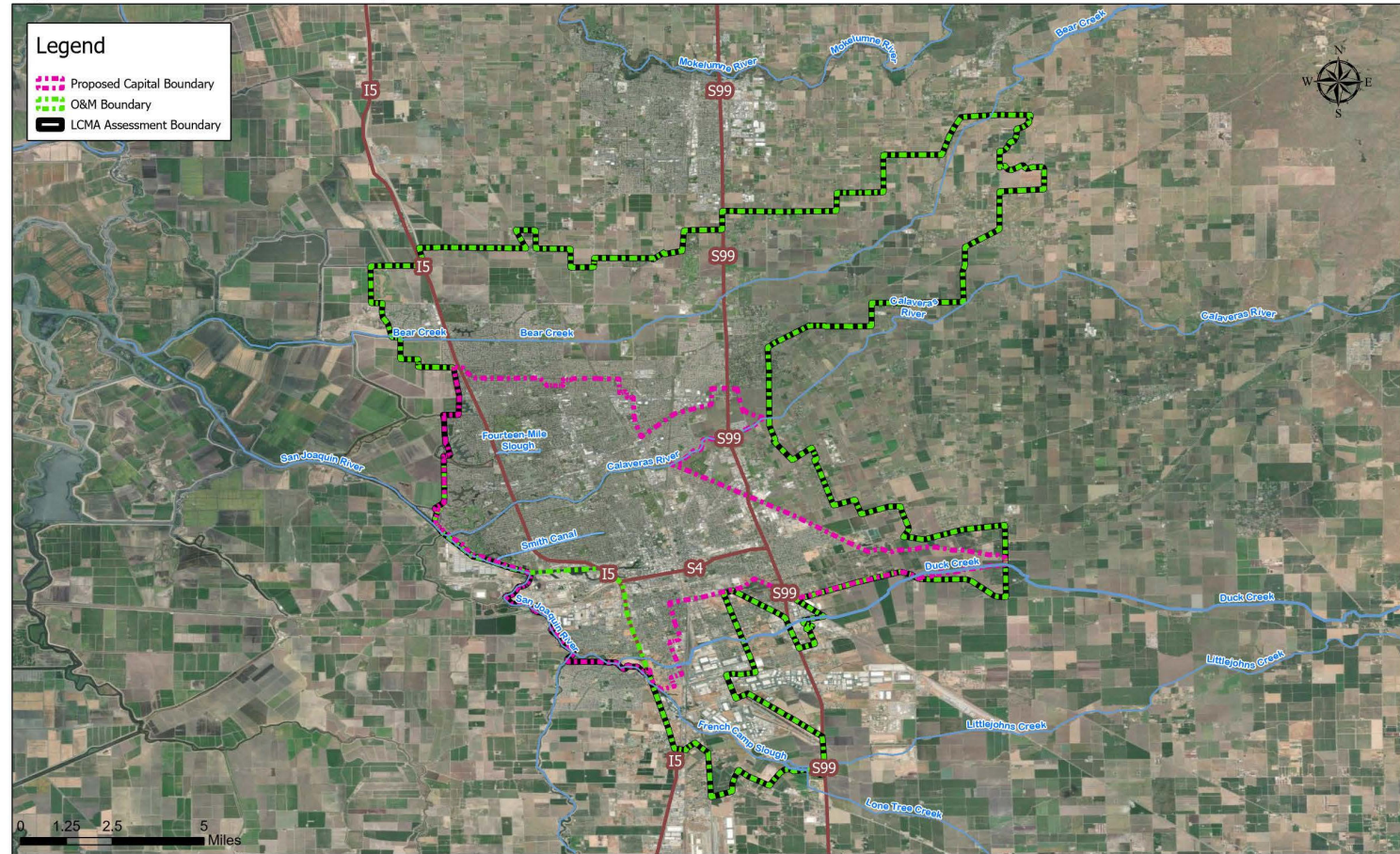
Area of Benefit – Levee Improvements

Figure 4: Floodplain Mapping supporting Capital Services Benefit Area



LCMA Boundary Map by Service

Figure 5: LCMA Area of Benefit - Levee Capital & O&M Services



Assessment Methodology

Every property's assessment differs based on property characteristics:

- Land use category
- Parcel size (acres)
- Location of Property – determines:
 - Benefit of Levee O&M Services (Y/N)
 - Which breach scenario impacts the parcel (for Levee O&M Services)
 - Benefit of Levee Capital Services (Y/N)
 - In Smith Canal Area Assessment District (Y/N, only for Levee Capital Services)
 - Depth of flooding for O&M and Capital (separately)

Example Assessments – Single Family Home

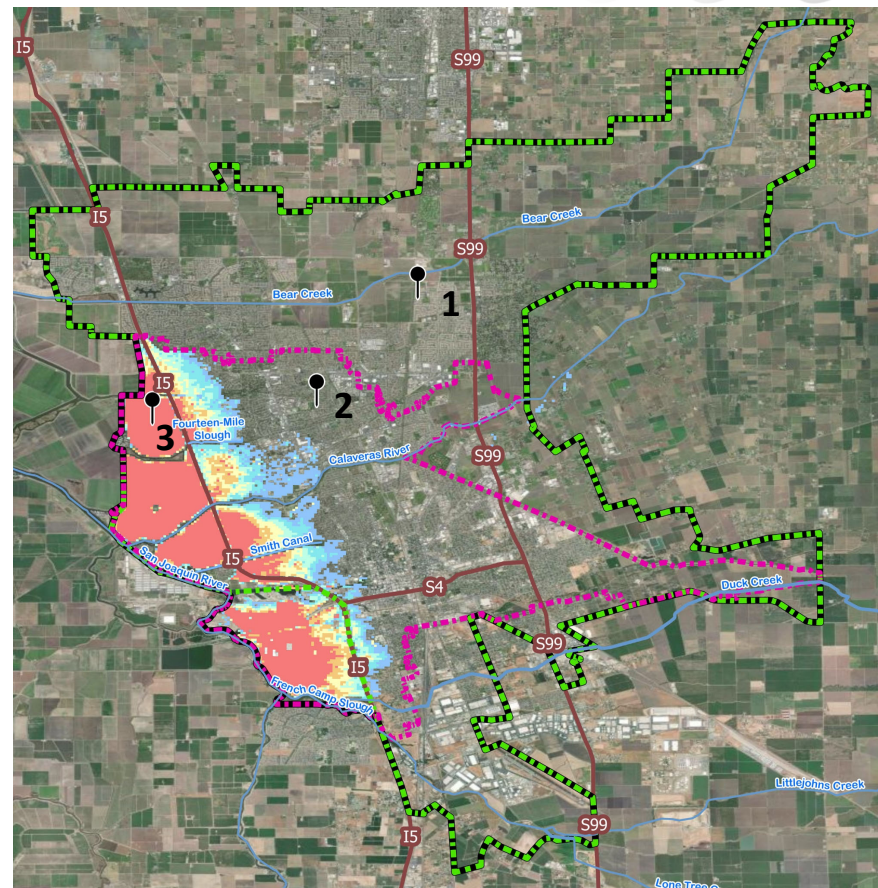
Property Characteristics:

- Land Use: Single-Family Residential
- Parcel Sizes for Examples – 0.1 Acres, 0.25 Acres, 0.5 Acres
- Average flood depths by category

Categories
1) O&M Only (one breach)
2) O&M (three breaches) and Non-LSJRP Accredited Levees
3) O&M (three breaches) and LSJRP Capital

Examples – Single Family Home

Category	O&M	Capital	Total
SFR - 0.10 Acre Parcel			
1) O&M only (one breach)	\$18.70	\$0	\$18.70
2) O&M (three breaches) and Non-LSJRP Accredited Levees	\$34.25	\$38.52	\$72.77
3) O&M (three breaches) and LSJRP Capital	\$34.25	\$148.39	\$182.64
SFR - 0.25 Acre Parcel			
1) O&M only (one breach)	\$46.75	\$0	\$46.75
2) O&M (three breaches) and Non-LSJRP Accredited Levees	\$85.63	\$39.72	\$125.36
3) O&M (three breaches) and LSJRP Capital	\$85.63	\$149.59	\$235.22
SFR - 0.50 Acre Parcel			
1) O&M only (one breach)	\$93.50	\$0	\$93.50
2) O&M (three breaches) and Non-LSJRP Accredited Levees	\$171.27	\$41.73	\$212.99
3) O&M (three breaches) and LSJRP Capital	\$171.27	\$151.60	\$322.86



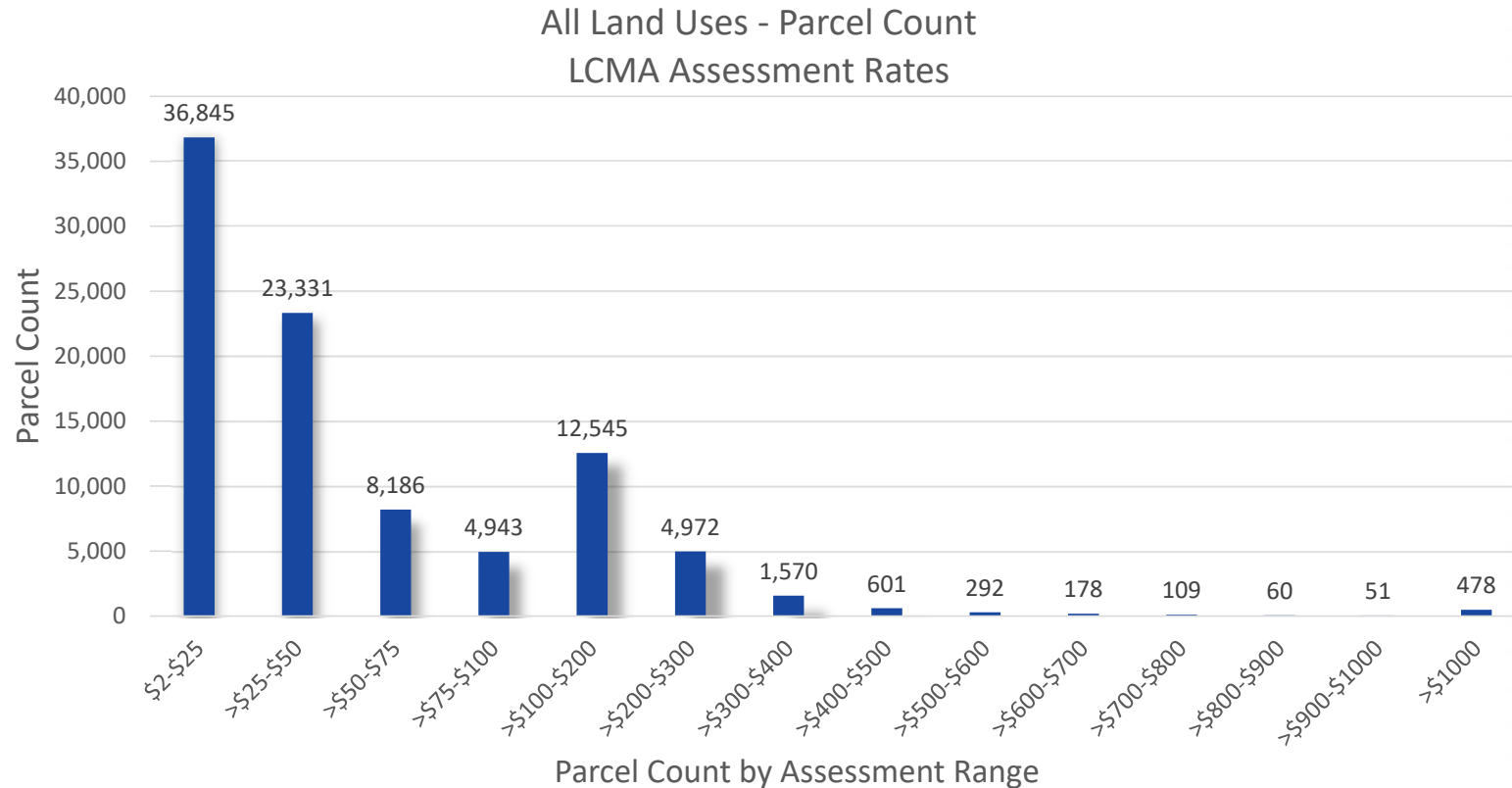
Assessment Weight by Land Use

Land Use Category	Parcel Count	Average Assessment	Proposed FY 2023/24 Assessment [1]	Share of Total Assessment
Agricultural	767	\$14	\$10,618	0.1%
Blended	98	\$1,831	\$179,390	2.4%
Commercial	3,382	\$247	\$836,238	11%
Industrial	961	\$512	\$492,057	6.4%
Mobile Home	143	\$38	\$5,479	0.1%
Multi-Family Residential	5,834	\$139	\$809,548	10.6%
Open Space	2,527	\$3	\$7,567	0.1%
Open Space - Developed	3,401	\$5	\$16,317	0.2%
Rural Residential	1,071	\$8	\$8,255	0.1%
School	167	\$781	\$130,486	1.7%
Single-Family Residential	75,810	\$68	\$5,134,757	67.3%
Total	94,161	\$82	\$7,630,712	100.0%

[1] Includes \$2 minimum assessment.

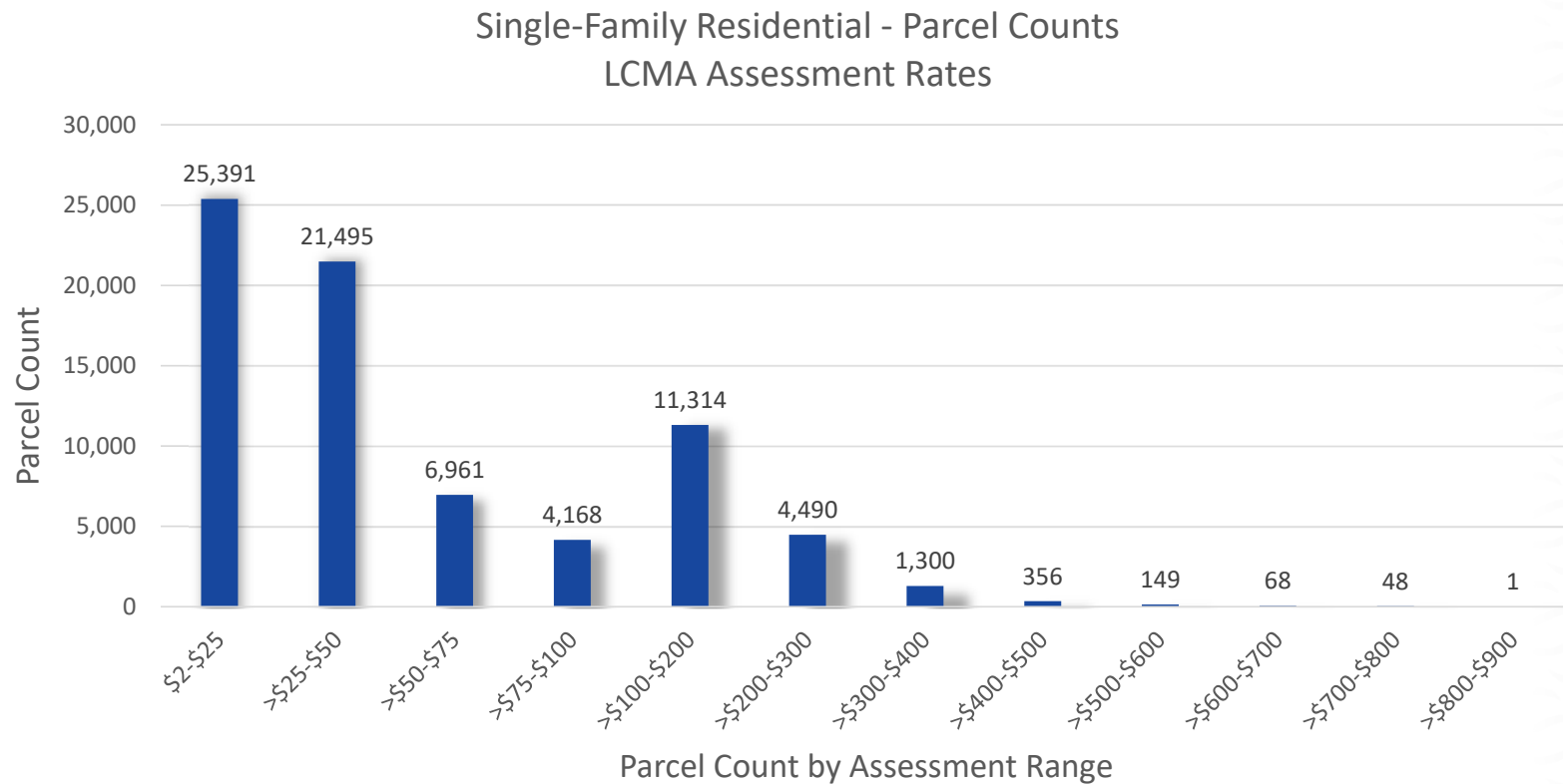
Assessment Ranges (All Land Uses)

78% (73,300) will pay less than \$9 per month (\$100/year)



Assessment Ranges (Single Family Residential)

77% (58,000) will pay less than \$9 per month (\$100/year)



Prop 218 Process

- Property owners vote
- Weighted vote (\$1 assessment = 1 vote)
- Ballots mailed to property owners (April 21)
- Public Hearing 6 p.m., June 8, SJ County BOS Chambers
- Ballot Tabulation (commencing June 9 until complete)
- SJAFCA Board meeting/Balloting Results (June 15)

- Majority Protest
 - Weight of ballots opposed exceed weight of ballots in favor

Public Outreach

- *2 Mailers + Ballot package*
- *7 Community Meetings*
- *Small group meetings*
- *Hotline/email*
 - *Replacement ballots, appeals*
- *Assessment Calculator (online)*

More Information

- Hotline: (209) 475-7010
- Email: LCMA@sjgov.org
- www.sjafca.org/LCMA
 - Frequently Asked Questions
 - Boundary maps
 - Preliminary Engineer's Report
 - Assessment calculator



Questions & Discussion

