

Keep Foster City Safe and Dry



Improving the Levee for Safety and Savings (School Board 5.17.18)

Bottom Line

The Problem

- FEMA has determined that 85% of Foster City's levee system does not meet minimum requirements for flood prevention.

The Options

- Upgrade the levee to meet safety standards at a cost of approximately \$272 per year for the average homeowner.

OR

- Foster City designated a flood hazard zone and mandatory flood insurance required at a cost of \$2,000-\$3,000 per year for the average homeowner and still face flood risk. Most businesses will likely pay more.
- Owners may face flood insurance, residential properties and businesses rent could increase, and there could be higher cost for construction improvement requirements.



Foster City Levee System

- Foster City maintains the levee along the Bayfront, surrounding the majority of the outer perimeter of the City
- The City's levee system is a valuable safety asset that provides protection from flood hazards and storms



FEMA Assessment

- **2007:** FEMA accredits Foster City levee
- **2014:** FEMA Central San Francisco Bay Coastal Flood Hazard Study
- **2014:** FEMA study determines that roughly 85% of Foster City's levee system does not meet FEMA requirements into future years
- **2015:** FEMA agrees to temporarily allow Foster City to remain out of the flood zone designation as long as progress is made on levee improvements

FEMA Accreditation

- The levee has withstood challenges so far, but it is in need of critical upgrades and safety improvements
- Unless the City upgrades the levee to meet the required FEMA standards, Foster City will be designated as a flood hazard area



Levee Improvement Options

- Foster City has spent the last 3 years extensively exploring all improvement and funding options
- The City has engaged with:
 - Financial and legal advisors
 - Engineering teams
 - Environmental agencies
 - Local elected officials
 - Caltrans
 - San Mateo County Sea Change

Accomplishments to Date

July 2014	FEMA Completes Coastal Flood Study (CCAMP)
August 2014	City Surveys Existing Levees
March 2015	Detailed Evaluation of CCAMP Results
July 2015	Levee Protection Planning Study
August 2015	Presentation to Regulatory Agencies and Government Officials
October 2016	Basis of Levee Design
November 2016	Draft Environmental Impact Report
April 2017	Final Environmental Impact Report
May 2017	Council Directs Staff to Proceed with Design
July 2017	Begin Ballot Measure Polling
August 2017	60% Design Documents
September 2017	Ballot Measure Polling Completed
March 2018	CC Approval of Ballot Measure for June 2018
March 2018	85% Design Completion
May 3, 2018	Presentation to Planning Commission



Schedule Moving Forward

June 5, 2018	Ballot Measure
October 2018	Complete Design
Spring 2019	Begin Construction
Summer 2021	Complete Construction



Potential Bond Measure

- \$90 million bond measure to fund levee improvements on the June 5, 2018 ballot
- Businesses do not have a vote unless they are a Foster City registered voter.
- Locally-controlled funding to maintain FEMA accreditation and keep Foster City properties out of the flood zone



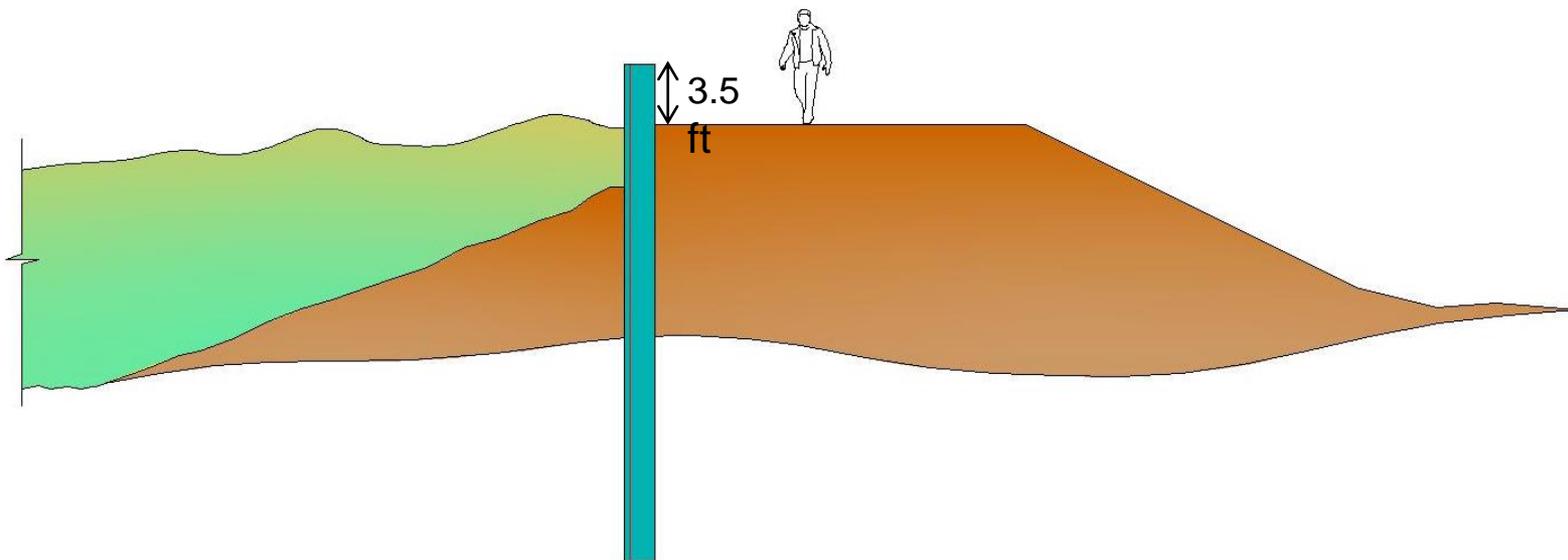
Improvements for Safety and Savings

- Protect essential city services during storms, like fire, police, water, electricity, sewer and transportation infrastructure
- Improve the levee to protect Foster City homes, schools, businesses and roads from flooding
- Protect the levee from earthquake damage
- Prevent Foster City from being designated as a flood hazard area by FEMA
- Avoid expensive, mandatory flood insurance requirements for local homeowners and businesses

Improvements for Safety and Savings



Improvements or Safety and Savings



Improvements would raise the height of the levee with no more than 3.5 feet of exposed wall along the Bay Trail.

Improvements or Safety and Savings

Current levee



Improvements or Safety and Savings

Projected Improvements



Cost Comparison

- If the City does not take action to strengthen the levee to FEMA standards, homeowners will pay approximately \$2,000-\$3,000 per year in mandatory flood insurance. Most businesses will likely pay more.
- A potential bond measure would cost the average homeowner approximately \$272 annually for 30 years
- Businesses rent could increase if owners are required to have flood insurance. Any remodels must be conducted to 1 foot above the Base Flood Elevation

Fiscal Accountability Provisions

- An independent citizens' audit committee would ensure funds are spent as promised on voter-approved projects
- All funds would stay local to improve the Foster City levee system
- No funds could go toward administrators' salaries or be taken by the State

Frequently Asked Questions

Why does FC need to improve the levee?

- FEMA Coastal Flood Study
- Permits require 2050 SLR
- Protects essential City services
- Protects properties

If in a flood zone:

- Flood insurance for federally backed loans
- Improvement upgrade requirements more costly



Frequently Asked Questions

What happens if we don't pass Measure P? How will flood zone designation affect FC?

- Project placed on hold until further direction from CC
- FEMA begins mapping process after 10/1/18 for flood zone designation
- Property values could be affected
 - Disclosures at time of sale
 - Flood insurance - \$2,000 to \$3,000 if in flood zone

U.S. Department of Homeland Security
1111 Broadway, Suite 1200
Oakland, California 94607



FEMA

March 2, 2018

Kevin M. Miller
City/District Manager
610 Foster City Blvd.
Foster City, CA 94404

RE: Foster City levee mapping

Dear Mr. Miller:

FEMA has been working with Foster City for several years to ensure flood insurance rate maps inform the public of flood risks and account for the ongoing efforts to assess and upgrade flood protection of the Foster City levee.

FEMA intends to begin re-mapping flood risks in Foster City after October 2018. The process and findings will assimilate the city's flood risk management efforts. If the city proceeds with planned upgrades to flood protection for the Foster City levees, FEMA's maps will account for those efforts.

Please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Juliette Hayes".

Juliette Hayes, Chief
Risk Analysis Branch
FEMA, Region IX

cc: Jeff Moneda, Public Works Director/City Engineer at City of Foster City
David Bascom, Risk Management Division, FEMA HQ

www.fema.gov



Frequently Asked Questions

How much will Measure P cost?

- \$90 Million, cannot exceed but can be lower
- \$40/\$100k Assessed Value
 - For \$680k AV = \$272 for the first annual assessment



General Obligation Bond

GENERAL OBLIGATION BOND LEVY ASSESSMENT TABLE		
YEAR 1		
Assessed Value	Levy per \$100,000 AV	Go Bond Assessment in Year 1
\$ 100,000	\$40	40.00
\$ 200,000	\$40	80.00
\$ 300,000	\$40	120.00
\$ 400,000	\$40	160.00
\$ 500,000	\$40	200.00
\$ 600,000	\$40	240.00
\$ 680,000	\$40	272.00
\$ 700,000	\$40	280.00
\$ 800,000	\$40	320.00
\$ 900,000	\$40	360.00
\$ 1,000,000	\$40	400.00
\$ 1,100,000	\$40	440.00
\$ 1,200,000	\$40	480.00
\$ 1,300,000	\$40	520.00
\$ 1,400,000	\$40	560.00
\$ 1,500,000	\$40	600.00
\$ 1,600,000	\$40	640.00
\$ 1,700,000	\$40	680.00
\$ 1,800,000	\$40	720.00
\$ 1,900,000	\$40	760.00
\$ 2,000,000	\$40	800.00
\$ 2,100,000	\$40	840.00
\$ 2,200,000	\$40	880.00
\$ 2,300,000	\$40	920.00
\$ 2,400,000	\$40	960.00
\$ 2,500,000	\$40	1,000.00



Top 10 Commercial Properties Based on Assessed Values- 31% of Total Assessed Values (FY 16-17)

Property Owner	Common Name	Net Taxable Value	Levy @ \$40/\$100,000	% of Total
Gilead Sciences	Gilead, Chess Hatch	1,482,721,195	593,088	15.8
Hudson Metro Center LLC	Qualys, Market Place, Metro Center	322,597,997	129,039	3.4
Visa USA Inc.		263,159,662	105,264	2.8
Trust Parkside Towers Corporation	Parkside Towers	212,300,499	84,920	2.3
BEX FMCA LLC	Fosters Landing	181,655,913	72,662	1.9
SF Hillsdale	Miramar Apartments	143,252,935	57,301	1.5
Northwestern Mutual Life	The Plaza	86,148,210	34,459	0.9
Bayside Towers Inc.	Bayside Towers	75,902,454	30,361	0.8
Lennar Homes of California Inc.	Foster Square (Condo Complex)	67,196,004	26,878	0.7
PWM Residential Venture LLC	Marlin Cove (comm/residential)	67,131,216	26,852	0.7
Total Top Ten		2,902,066,085	1,160,824	31.0
Total City		9,367,471,356	3,746,989	100.0

Frequently Asked Questions

How will construction of the levee improvements affect businesses, schools, and property in the area?

- Studying ways to limit impacts
- Silent sheet piling press method
- Work with businesses, schools, and homeowners to minimize impacts

Why isn't FC using General Fund reserves to fund levee?

- On 1/16/18, CC provided policy direction regarding the use of the GF Reserves and voted to proceed with the \$90M bond financing without dedicating any of the City's GF Reserves to the project
- On 3/5/18, CC voted unanimously to place the \$90 M bond measure on the June 2018 Election

Frequently Asked Questions

Why are the planned levee improvements designed to meet 2050 SLR projections?

- FEMA does not consider SLR
- Permits require 2050 SLR

How many votes does Measure P need to pass?

- 66.7%

How can I vote on Measure P?

- Vote centers and ballot drop-off locations during the week of May 7
- Vote, sign, seal, and mail back or drop off



We Want to Hear from You!

- We welcome community input as we evaluate all options for levee protection planning and improvement
- For questions or feedback, please contact the City Manager's Office at manager@fostercity.org or (650) 286-3220

