

11.3

11.3 Resolution directing the City Manager to cast affirmative votes on all City of Sacramento and Sacramento City Financing Authority ballots received in connection with Sacramento Area Flood Control Agency's (SAFCA) proposed Capital Assessment District No. 3 (American River and South Sacramento Streams) (D-All)

RECOMMENDATION OF STAFF: ADOPT RESOLUTION
ADOPT FINANCE AUTHORITY
RESOLUTION

COUNCIL ACTION: CC2000-201
FA2000-002

VOTING RECORD: MOV: FARGO SEC: WATERS
AYES: COHN, FARGO, HAMMOND,
JONES, KERTH, PANNELL,
WATERS, YEE, MAYOR YEE

This item is located in the assessment files.

City Council

Resolution Authorizing Affirmative Votes in connection with SAFCA Assessment District 3

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BACKGROUND:

While significant flood control improvements have been completed and portions of the City in Natomas and North Sacramento will achieve 200-year flood protection, much of the remainder of the City has the lowest level of flood protection of any major urban area in the United States. For almost 10 years SAFCA and the City have been working hand in hand with other flood control interests to secure Federal authorization and funding for flood control projects. Last August, Congress authorized Modifications to Folsom Dam, American River Levee Parity improvements, and the South Sacramento Streams Group Project. When completed, these projects will raise the minimum level of flood protection in Sacramento from about 85-year to at least 140-year.

The total cost of these projects is estimated to be \$235 million. SAFCA must raise a local share of \$35 million, about 15 percent of the total cost. With the 1996 passage of Proposition 218, SAFCA must obtain the approval of benefiting property owners through a balloting-by-mail procedure before it can implement an assessment to fund the local share. Proposition 218 also mandates that government properties be assessed in proportion to the benefits they receive.

On April 20, 2000, SAFCA approved a resolution of Intention to form a special benefit assessment district and an Engineer's Report setting forth assessment methodology. The boundary of the District is the 100-year regulatory flood plain (map attached). Within that boundary, the assessment of each parcel is determined on the basis of:

1. The local cost of the flood control projects necessary to provide improved flood protection for each parcel.
2. The estimated cost of repairing flood damage based on Corps of Engineers developed information about repair costs, and the relationship between damage and depth of flooding.
3. First floor square footage of structures on each parcel, and the type of land use (residential, commercial and industrial).
4. Estimated damage to land value.

SAFCA has furnished a list of all City of Sacramento and Sacramento City Finance Authority owned parcels in the proposed assessment district and the proposed assessment for each. Staff has reviewed the information, believes the properties receive the benefit for which the assessment is being levied, and that the assessment methodology is reasonable. The proposed assessment on City controlled property is summarized below.

Owner	Annual Payments		Capitalized Assessment
	per year	15 year total	
City of Sacramento	\$ 97,620.51	\$ 1,464,307.65	\$ 758,765.65
Parking Authority City of Sac.	\$ 3,473.15	\$ 52,097.25	\$ 31,971.26
Sac. City Financing Authority	\$ 21,477.73	\$ 322,165.95	\$ 197,708.14
TOTAL	\$ 122,571.39	\$ 1,838,570.85	\$ 988,445.05

City Council

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The annual assessments shown above are the assessments proposed by SAFCA in the Proposition 218 ballot process. The capitalized assessment represents the total amount the City will have the option of paying after the District is formed but before bonds are sold.

The Parking Authority has been terminated and its property turned over to the City of Sacramento, therefore the City Council is the appropriate body to take actions related to those properties.

SHRA will be bringing a separate report through their Commission to the City Council requesting action on Redevelopment Agency and Housing Authority properties.

FINANCIAL CONSIDERATIONS:

The annual cost to the City of Sacramento for this assessment is \$122,571.39. This amount has been included in the Proposed Budget for FY 01. With passage of this assessment, the Council would have the option of paying the Capitalized Assessment amount (\$1.8 million) which would reduce overall interest costs. This option is not being recommended due to the significant impact it would have on the FY01 budget.

POLICY CONSIDERATIONS:

The City Council is on record supporting the need to increase flood protection as one of the highest priorities in this region. The Assessment will provide the necessary local match for the State and Federal funds already allocated for critical flood control improvements.

E/SBD CONSIDERATIONS:


None since no goods or services are procured with this action.

Respectfully submitted,



Betty Masuoka
Deputy City Manager

Approved:



Robert P. Thomas
City Manager

RESOLUTION NO. 00-_____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACRAMENTO AUTHORIZING THE CITY MANAGER TO CAST AFFIRMATIVE VOTES ON ALL CITY OF SACRAMENTO BALLOTS RECEIVED IN CONNECTION WITH SACRAMENTO AREA FLOOD CONTROL AGENCY'S (SAFCA) PROPOSED CAPITAL ASSESSMENT DISTRICT NO. 3 (AMERICAN RIVER AND SOUTH SACRAMENTO STREAMS) AND SETTING FORTH THE DISTRICT'S SUPPORT THEREOF

WHEREAS, after the flood of 1986, the Corps of Engineers, the State of California, and the Sacramento Area Flood Control Agency (SAFCA) completed an evaluation of the improvements protecting Sacramento from flooding from the American and Sacramento River; and,

WHEREAS, that evaluation concluded that over 400,000 residents, 160,000 homes, 5,000 businesses, and over 1,100 government facilities were at unacceptably high risk of flooding; and,

WHEREAS, even though significant flood control improvements have been made and Natomas and portions of North Sacramento will achieve 200-year protection, the remainder of Sacramento has the lowest level of flood protection of any major urban area in the United States; and,

WHEREAS, a flood would paralyze emergency services including police, fire, and hospitals and result in a minimum of \$7 billion in property damage; and,

WHEREAS, Federal flood insurance is mandated for more than 55,000 property owners in Sacramento, at an annual cost of \$25 million; and,

WHEREAS, in 1999, Congress authorized \$235 million in projects that, when completed, will significantly reduce the risk of flooding and eliminate Federal requirements for flood insurance; and,

WHEREAS, construction of the projects requires the local sponsor, SAFCA, to fund about 15 percent of the cost of those projects, \$35 million; and

WHEREAS, SAFCA has determined that the local share can best be raised through the imposition of a capital assessment on properties that benefit from the projects; and,

WHEREAS, the California Constitution requires that capital assessments be imposed on public properties in proportion to the benefits received; and,

WHEREAS, improved flood protection will benefit all property owners in Sacramento including the City of Sacramento; and,

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

WHEREAS, improved flood protection is the highest infrastructure priority for the City of Sacramento,

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sacramento, as follows:

1. The City Council hereby strongly affirms its support for SAFCA's proposed capital assessment district.
2. The City Manager is directed to cast affirmative votes on all ballots received for City of Sacramento controlled properties.

Mayor

ATTEST:

City Clerk

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO. 00-_____

ADOPTED BY THE SACRAMENTO CITY FINANCING AUTHORITY

ON DATE OF _____

A RESOLUTION OF THE SACRAMENTO CITY FINANCING AUTHORITY DIRECTING THE CITY MANAGER TO CAST AFFIRMATIVE VOTES ON ALL SACRAMENTO CITY FINANCING AUTHORITY BALLOTS RECEIVED IN CONNECTION WITH SACRAMENTO AREA FLOOD CONTROL AGENCY'S (SAFCA) PROPOSED CAPITAL ASSESSMENT DISTRICT NO. 3 (AMERICAN RIVER AND SOUTH SACRAMENTO STREAMS) AND SETTING FORTH THE DISTRICT'S SUPPORT THEREOF

WHEREAS, after the flood of 1986, the Corps of Engineers, the State of California, and the Sacramento Area Flood Control Agency (SAFCA) completed an evaluation of the improvements protecting Sacramento from flooding from the American and Sacramento River; and,

WHEREAS, that evaluation concluded that over 400,000 residents, 160,000 homes, 5,000 businesses, and over 1,100 government facilities were at unacceptably high risk of flooding; and,

WHEREAS, even though significant flood control improvements have been made and Natomas and portions of North Sacramento will achieve 200-year protection, the remainder of Sacramento has the lowest level of flood protection of any major urban area in the United States; and,

WHEREAS, a flood would paralyze emergency services including police, fire, and hospitals and result in a minimum of \$7 billion in property damage; and,

WHEREAS, Federal flood insurance is mandated for more than 55,000 property owners in Sacramento, at an annual cost of \$25 million; and,

WHEREAS, in 1999, Congress authorized \$235 million in projects that, when completed, will significantly reduce the risk of flooding and eliminate Federal requirements for flood insurance; and,

WHEREAS, construction of the projects requires the local sponsor, SAFCA, to fund about 15 percent of the cost of those projects, \$35 million; and

WHEREAS, SAFCA has determined that the local share can best be raised through the imposition of a capital assessment on properties that benefit from the projects; and,

WHEREAS, the California Constitution requires that capital assessments be imposed on public properties in proportion to the benefits received; and,

WHEREAS, improved flood protection will benefit all property owners in Sacramento including the City of Sacramento; and,

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RESOLUTION NO.: _____

DATE ADOPTED: _____

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WHEREAS, improved flood protection is the highest infrastructure priority for the City of Sacramento,

NOW, THEREFORE, BE IT RESOLVED, by the Sacramento City Financing Authority, as follows:

3. The Sacramento City Financing Authority hereby strongly affirms its support for SAFCA's proposed capital assessment district.
4. The City Manager is directed to cast affirmative votes on all ballots received for Sacramento City Financing Authority controlled properties.

Chair

ATTEST:

City Clerk

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RESOLUTION NO.: _____

DATE ADOPTED: _____