

**Department of Water Resources  
Public Meeting  
Comments on Guidelines for  
Flood Protection Corridor Program**

Meeting Date:	May 7, 2007	May 9, 2007
Meeting Location:	Resources Building Auditorium 1416 Ninth Street Sacramento, CA	Junipero Sierra Building 320 West 4th Street Los Angeles, CA

Meeting Attendees: A list of attendees for each meeting appears at the end of these notes.

Proposition 84, the 'Safe Drinking water, Water Quality and Supply, Flood Control, River and Costal Bond Act' of 2006, will provide \$40million to the California Department of Water Resources Flood Protection Corridor Program (FPCP). This program grants funding for flood management projects that are primarily non-structural and include wildlife habitat enhancement and/or agricultural land preservation. The FPCP guidelines explain how the proposition funds will be administered and allocated. The guidelines include information on grant application solicitation, the type of projects that qualify, application evaluation, contract requirements, and ongoing project maintenance.

*Sacramento – May 7, 2007*

*Stakeholder Comments and Questions, including DWR Responses/Commitments*

- Q:** You showed 4 ways to qualify for this program, by acquisition or levee setback. Several of the objectives of the program can be satisfied without acquisition or levee setback. For example, a project would not include acquisition. It would remove, not setback, a levee and would provide benefits to the environment. Would that project qualify? Would it be competitive?
- A:** This would depend on the qualifying components of the project. I would recommend filling out the application and look at the points that you could obtain.
- A:** DWR answer provided at a later date: FPCP projects typically involve some sort of acquisition unless the project proponent already owns the project site and is willing to convey a conservation easement to an independent third party to protect the State's investment in the project and to assure that the land will stay the same as outlined in the agreement. Exceptions can be made if the land is owned by the federal government, or if it has some other type of permanent conservation protection that cannot be removed by the owner.
- Q:** I understand that there is 200 million dollars available for this program. Why is only 25 million available in fiscal year 2007-2008?
- A:** I don't know, this was a decision made at a high management level.

Expanded response: The 200 million is from Proposition 1E, while the \$25 million is from Proposition 84. Proposition 84 funds can be used in FY 07-08, because the bond act allows guidelines which are similar to the existing Proposition 13 regulations for the FPCP. The Proposition 1E money will not be available until FY 08-09 because new regulations are required, and it takes approximately one year to get regulations in place.

**Q:** Who holds the title? The local sponsor or the State?

**A:** The sponsor in some cases, the State in some cases, and a third-party conservation group or regulatory agency in some cases.

**Q:** Is it not a significant risk to DWR in projects guessing the purchase price for a property?

**A:** DWR has staff and other experts to analyze and review appraisals.

Expanded response: DWR expects applicants to have a fairly close estimate of property values before an application is submitted, because this is necessary to provide evidence of a willing seller. Sellers generally are unwilling if their asking price is higher than an appraiser's estimate of market value, and any difference between asking price and market value should be as close to resolution as possible before the grant proposal is submitted.

**Q:** When applying for a grant at what stage do we need to be in the acquisition process? Do negotiations with landowners need to be complete or can negotiations be a part of the project?

**A:** You do not have to have negotiations complete. You would not be expected to have a firm amount for the application, but a good estimate is needed.

Expanded response: Additionally, a letter of interest from the seller indicating he or she is willing to sell at fair market value is required.

**Q:** Then the project sponsor has the risk of underestimating the acquisition price.

**A:** Yes. Expanded response: Generally, grants are for a fixed amount that does not change during the course of a project. The State can only pay fair market value supported by an approved appraisal. If the price was underestimated at the time of the application, and if the sponsor and the state can agree to reduce the budget for other line items, sometimes funds can be shifted to cover the increase. If the seller is unwilling to sell at the appraised value, the sponsor can make up the difference from another non-State funding source.

**Q:** Other State grants require an appraisal, is this also true for this program?

**A:** There is not an obligation at the time of the application, but there must be a good estimate for the application.

Expanded response: An appraisal approved by the State is required before the property purchase is finalized.

**Q:** It is easy to find a willing seller if the price is tripled, but this is not required?

**A:** No. Expanded response: The State can only pay fair market value. If the grantee wants to pay more, the difference would have to come from non-State funds.

**Q:** Typically other State grants that involve acquisition require that the land is maintained as open space. Is there a similar requirement for this program?

**A:** Yes.

*Los Angeles – May 9, 2007*

*Stakeholder Comments and Questions, including DWR Responses/Commitments*

**Q:** How far in the acquisition process must it be to apply for a Flood Protection Corridor Program grant? What is considered to be evidence of being a willing seller?

**A:** I am not sure what the evidence of willing seller would be. I will contact you with more information on this.

**A:** Answer provided at a later date: To be able to apply for FPCP funding for a project that includes obtaining real property interest, the application must include a letter of interest from the seller indicating an interest in selling at fair market value. This letter provides the evidence needed to show that they are a willing seller.

**Q:** As I understand it, A-list projects are funded. I assume that B-list projects are not funded unless there is funding left over from the A-list projects. Is this correct?

**A:** A-list projects are funded. Most of the time there is not funding available for B-list projects. The DWR is currently considering changing the guidelines to state that B-list projects 'may' be funded or the funds may be carried over to a future funding cycle.

**Q:** There is a possible project that could start 6 months from now. Should I apply for this year or next year?

**A:** Apply this year.

**Q:** Is there a deadline for project completion?

**A:** The guidelines do not specify. First a little background. In 2000 Flood Protection Corridor Program funded projects using funds from Proposition 13. Proposition 84 provided funds to continue this program. Under Proposition 13 agreements are for 3 years. The legislature appropriates funding for 1 to 3 years. Funding agreements typically are for 3 years. Contract amendments can be done to extend this term.

**Q:** The budget will show appropriation for all 3 years of the project. I assume that it will not need to appropriate each year. Is this correct?

**A:** Yes

**Q:** If funding for the first year is not completely spent, will it pass on to the next year?

**A:** Yes. Expanded Response: Any funding that is not needed to complete the budgeted project tasks reverts to the State.

- Q:** What if a seller does not want a conservation easement and only will agree to obtaining a fee title?
- A:** A conservation easement is preferred.
- A:** Answer provided at a later date: When negotiating with a seller, the sequence should be to attempt to obtain an easement first. If the seller insists on selling fee title, then fee title can be acquired.
- Q:** How much is available for the maintenance trust fund?
- A:** Set up of a maintenance trust fund is not automatic. It is meant for those who can not pay for it with their own funding. I will get back to you with regards to the amount.
- A:** Answer provided at a later date: There should always be a trust fund unless the grantee has another ongoing revenue stream to use to pay maintenance expenses. The grantee and DWR staff can negotiate the value of maintenance trust fund, within a 20% limit. The trust fund can be up to 20% of the purchase price of the property being acquired or 20% of the value of grant-funded improvements if the property is already owned.
- Q:** Where can a project be located? Does it have to be on a river?
- A:** As shown on this slide, it needs to be within a Federal Emergency Management Agency (FEMA) Special Flood Hazard Area (SFHA), adjacent to a FEMA SFHA that could be inundated due to the project completion, a floodway as defined by The Reclamation Board, or below the 100-year re-occurring flood elevation as determined by a professional. What is not stated on the slide is that the guidelines also say that a project would qualify if the sponsor could prove that the location is equivalent to any these requirements.
- Q:** In reading the application, it looks like one could score on agricultural or wildlife benefits.
- A:** It is a calculation of both. Look at the scoring in the application as a guide. Expanded response: A project must have flood benefits, and provide additional agricultural and/or wildlife benefits. The wildlife or agricultural benefits together only represent one-third of the score for ranking projects. Whether a project is entirely agricultural, entirely habitat, or some combination of both would make no difference in the scoring.
- Q:** What level of flood risk reduction would qualify for this program? Does it have to be a catastrophic risk or minimal risk?
- A:** The flood risk section of the application shows the points that can be obtained having to do with flood risk. Generally a town that is frequently flooded would be more competitive than a flooded rural area, unless flooding a rural area would reduce flood risk for a downstream urban area or the rural area includes very high value agricultural improvements (such as an orchard) that would be impacted by flooding.

**California Department of Water Resources**  
**FloodSAFE California Initiative**  
**and Flood Risk Reduction Funding**

**List of Attendees that Asked Questions – May 7, 2007**  
**Sacramento, California**

<u>Attendees</u>	<u>Organization</u>
Dan Yamanaka	California Department of Water Resources
Mary Berkowitz	California Department of Water Resources
Kristin Garrison	California Department of Water Resources
Garth Gaylord	City of Roseville
Terry Paxton	Civil Engineering Solutions
Mick Klasson	Consultant and Grant Writer
Dave Peterson	Consultant Engineer
Roger Churchwell	County of San Joaquin
Donald J. Hill	County of Santa Cruz
David Jones	County of Stanislaus
Lidia Gutierrez	Gutierrez Consultants
Amy Brown	Northern California Water Association
Brian Geary	Reclamation District 2130, Suisun Marsh
Jeff Twitchell	Wood Rodgers

**California Department of Water Resources**  
**FloodSAFE California Initiative**  
**and Flood Risk Reduction Funding**

**Attendees List – May 9, 2007**  
**Los Angeles, California**

<u>Attendees</u>	<u>Organization</u>
Dan Yamanaka	California Department of Water Resources
Kristin Garrison	California Department of Water Resources
Mary Berkowitz	California Department of Water Resources
John Felix	City of Gardena
Ted Allen	City of Los Angeles, Bureau of Engineering
Azya Jackson	City of Los Angeles, Bureau of Sanitation
Melani Chacon	City of Los Angeles, Bureau of Sanitation
Salomon Miranda	California Department of Water Resources
Fathima Bahardeen	City of Los Angeles, Bureau of Sanitation
Rochelle Paras	County of Los Angeles, Public Works
Dolores Armstead	County of San Bernardino
Tom Fayram	County of Santa Barbara
Jon Frye	County of Santa Barbara
Matt Griffin	County of Santa Barbara
Karen Crampton	David Evans & Associates
Mark Seits	HDR
Mark Lambert	City of Bakersfield
Maurice Randall	City of Bakersfield
Mekbib Degaga	Riverside County Flood Control
Ken Consaul	Riverside County Program
Sandi Matsumoto	The Nature Conservancy
Martha Symes	Ventura County Watershed Protection District
Gerard Kapuscik	Ventura County Watershed Protection District
Joseph Lampara	Ventura County Watershed Protection District