

Keep Foster City Safe and Dry



Improving the Levee for Safety and Savings (Business Edition)

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 \$279 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, 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

Levee Improvement Options

- **5/8/17 City Council Action**
 - Proceed with General Obligation Bond in the Amount of \$90 Million
 - Design to 2050 SLR and Adaptability for 2100
- **1/16/18 City Council Direction**
 - Proceed with full funding of \$90 Million proposed Ballot Measure
- **2/20/18 City Council Consideration**
 - Consider \$90 Million Ballot Measure for June 2018

Potential Bond Measure

- The City Council is considering (2/20/18) a \$90 million on bond measure to fund levee improvements for the June 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



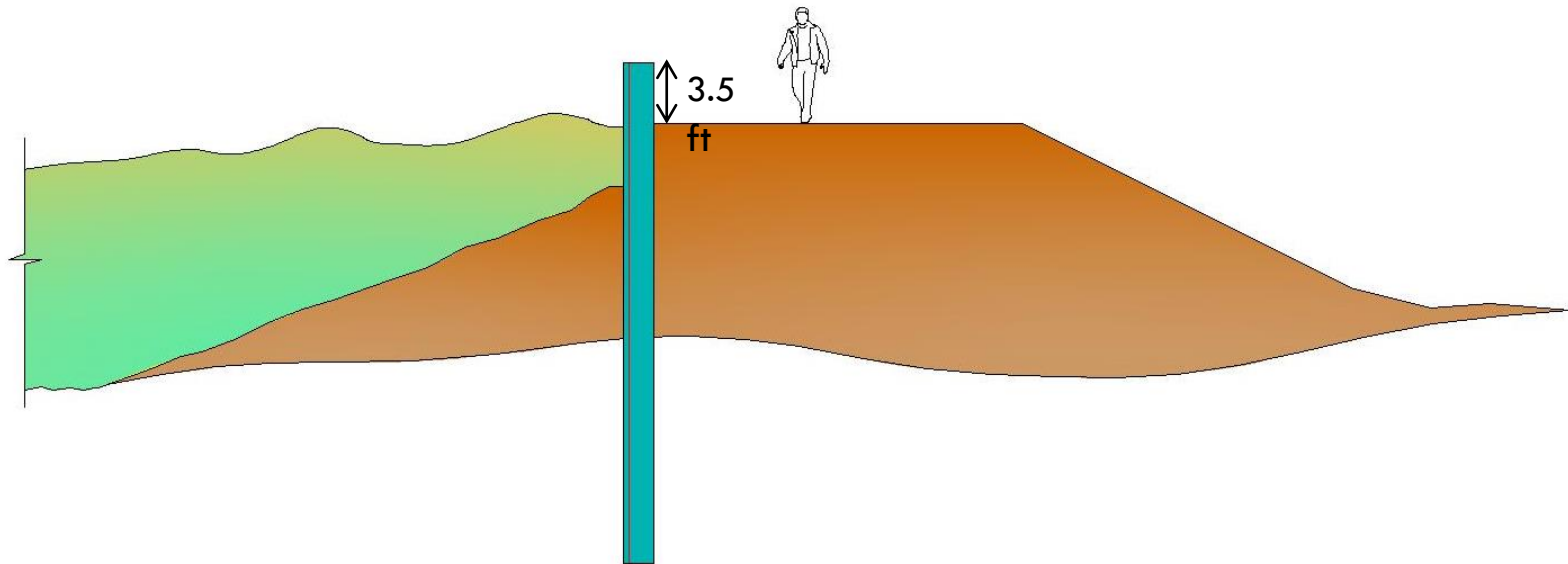
Improvements for Safety and Savings

- 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 Ballot Measure Fails

- 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 \$279 annually for the first year
- 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 with pads being raised

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
- Cost to property owners would be approximately \$41 per \$100,000 of assessed (not market) value

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

Property Owner	Common Name	Net Taxable Value	Levy @ \$41/\$100,000	% of Total
Gilead Sciences		1,482,721,195	607,916	15.8
Hudson Metro Center LLC	Qualys, Market Place, Metro Center	322,597,997	132,265	3.4
Visa USA Inc.		263,159,662	107,895	2.8
Trust Parkside Towers Corporation	Parkside Towers	212,300,499	87,043	2.3
BEX FMCA LLC	Fosters Landing	181,655,913	74,479	1.9
SF Hillsdale	Miramar Apartments	143,252,935	58,734	1.5
Northwestern Mutual Life	Chess Hatch (Sares Regis)	86,148,210	35,321	0.9
Bayside Towers Inc.	Bayside Towers	75,902,454	31,120	0.8
Lennar Homes of California Inc.	Foster Square (Condo Complex)	67,196,004	27,550	0.7
PWM Residential Venture LLC	Marlin Cove (comm/residential)	67,131,216	27,524	0.7
Total Top Ten		2,902,066,085	1,189,847	31.0
Total City		9,367,471,356	3,840,662	100.0

Next Steps

- 2/20/18 – City Council consideration of Ballot Measure
- 2/21/18 – Community Meeting with Businesses, HOA's, and General Public
- June 2018 – Proposed Ballot Measure
- October 2018 – Complete Design
- Spring 2019 – Begin Construction
- Spring/Summer 2021 – End Construction

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

