



COASTAL HAZARDS ADAPTATION RESILIENCY GROUP *for the San Francisco Bay Region*

San Francisco Bay Regional CHARG: Coastal Hazards Adaptation Resiliency Group

January 21, 2016 Funding Working Group Action Items + Meeting Minutes

Location: Eliju M. Harris State Building, 1515 Clay Street 2nd Floor, Room 2, Oakland

Participants

<u>Name</u>	<u>Organization</u>
Beckie Zisser	Save the Bay
Brian Benn	Environmental Risk & Financial Solutions
Kelly Malinowski	California State Coastal Conservancy
Martha Whetstone	San Francisco International Airport
Michael Barber	San Mateo County Department of Public Works
Nixon Lam	San Francisco International Airport
Norma Camacho	Santa Clara Valley Water District
Robert Spencer	Urban Economics
Steve Moore	State Water Resources Control Board
Robert Blizzard	Caltrans
Sybil Hatch	Convey

ACTION ITEMS:

- Distribute draft Funding Brief for group review
- Save the Bay to let CHARG know how CHARG can offer support of the wetlands restoration parcel tax initiative.
- Look into developing prototype case studies (like current Foster City shoreline resiliency work) to field-test financing mechanisms and ways to reduce regulatory obstacles.
- SCVWD will look at a multi-level media education effort, including template to inform all cities in Santa Clara County, tied in an indirect way to restoration authority. Messaging may include solving property owners' flood insurance issues.
- San Mateo County to conduct public awareness/outreach meeting at Genentech and will carry message about restoration authority funding.

MEETING MINUTES:

- Introductions
 - Kathy Schaefer: interested in finding ways to manage risk and use risk as an asset to fund infrastructure improvements.

- Brian Benn: identify risk and finance the reduction of that risk. Bring private funding to public endeavors. Public entities have to account for those liabilities. Infrastructure planning, funding, and risk reduction funding
 - Kelly Winowsky: filling in for Matt Gerhart; performing climate adaptation work with State Coastal Conservancy
 - Martha Whetstone: government affairs at SFO. How to make perimeters of airport safe against floods, comply with FEMA mapping, partner with USACE on partners.
 - Nixon Lamb: environmental affairs at SFO
 - Becky Zisser: Save the Bay – interest in innovative ways to protect Bay shoreline communities due to climate change.
 - Michael Barber: works for San Mateo County Supervisor Pine as part of team involved with sea level rise.
 - Bob Spencer: specializes in funding for public agencies, and how can bring land use and funding together to finance adaptations.
 - Steve Moore: Board member of State Water Resources Control Board; used to be at RWQCB, with a background in civil engineer infrastructure.
 - Robert Blizzard: how much money can be pulled together to increase resiliency
 - Norma Comacho: Looking for state, fed, local, and private funding to support SCVWD and regional projects.
- Schaefer (funding working group co-chair)
 - How CHARG started, basic committee structure, funding group priorities. Have targeted a figure of \$25 million to work toward regional solutions. Work toward sustainable funding solutions.
 - Have developed draft Funding Brief to use as tool to educate funders on funding needs and how moneys would be spent.
 - Comacho (funding working group co-chair)
 - Technical working group is identifying initiatives that funding working group will support.
 - Funding working group has started to catalogue available relevant funding sources. SCVWD has access to searchable database (eCivis) for local, state, federal funding sources.
 - Potential Finance Strategies to Explore
 - CHARG focus on interrelatedness of communities and sub-regional planning efforts. Develop 50-year capital improvement plan for sea level rise.
 - CHARG alignment with existing financial mechanisms. Example: how CHARG aligns with California Water Action Plan.
 - Have discussed training or forum to enable CHARG stakeholders to be more competitive for existing financial mechanisms (FEMA “Watershed University” model). Some successful with Prop 218, others not.
 - Align with and support BAFPAA to advocate for funding.
 - Must consider incremental funding, and cobble moneys together from Department of Water Resources, Fish and Game, Prop 1, etc.
 - When trying to sell investments, important to articulate what emergency trying to avoid. Articulate the risk of something happening. It’s a liability on a balance sheet. Cost to avert the risk is lower.
 - Important that CHARG speak with one voice. CHARG inform Bay area congressional representatives to speak with one voice as well. Funding Brief will support this. Overlap with policy working group.

- CHARG can help make connections between municipalities and focus on infrastructure network vulnerabilities (power distribution, transportation, etc). Climate Readiness Institute working on identifying weak links in Bay area.
- FAA sees sea level rise as the purview of USACE. FAA has funding to upgrade runways, towers, etc., but nothing outside of operable areas. Airports are good example of nationwide network. Vulnerable airports need to have united voice (nationwide - including Boston, etc).
- When trying to get movement in any area, have to get to people's hearts and minds. Electeds need to feel immediacy, media needs to be talking, multi-level approach equally important. CHARG needs communications working group. When trying to get support, if educate people well enough, help them understand problem, then they general support it.
- Potential Funding Sources to Explore
 - Federal post-disaster funding potentially available if projects are identified in local hazard mitigation plans. CHARG reach out to state hazard mitigation officer to help priority-setting. Small portion of FEMA post-disaster funding available to rebuild infrastructure with greater resiliency. San Mateo County (for example) lacking a mechanism to engage with twenty cities. In Bay area, work through ABAG to make sure all cities and counties including sea level rise in hazard mitigation plans. San Mateo County vulnerability assessment to be completed in June. San Mateo vulnerability assessment based on Adapting to Rising Tides approach and standard FEMA-style asset descriptions. Could possibly sever as model for hazard mitigation plan preparation. Including discussions of sub-regional geographies impacted. Example: inform uplands communities on how sea level rise affects them (wastewater treatment plan outflow issues, for example).
 - Work on national level to promote private and community-based insurance. National Academy of Science report coming out soon.
 - Need strategy for including a funding placeholder in the Water Resources Development Act (WRDA) process. Individual agencies go to Washington DC to advocate for their own funding; CHARG needs to speak as one voice and do the same for the region.
 - Bay area has advantage of several well-endowed universities that may be able to support CHARG initiatives.
 - CHARG not looking at "ordinary" flood or restoration. There are willing partners out there (example: SCVWD approached by Google for Stevens Creek and E-W channels restoration). CHARG should tap into private funding mechanisms. Look at other federal partners like HUD, DOT, etc.
 - Governor Brown's water action plan includes ten integrated, sustainable finance opportunities. Project must offer multi-benefit solutions. CHARG is of statewide interest and there's no question that it has a multi-benefit vision. #8 - "increase flood protection" and #2 - "increase self-reliance." Many nexus points.
 - State Revolving Fund for water/wastewater has been a success: \$1.2 billion in revenue bonds to raise funding.
 - Infrastructure of this generation (re-envision, replace, rebuild post-WWII infrastructure) has to be public/private.
 - State Board will issue climate adaptation statement this year. CHARG is a great illustration of "how you do it": forestry management, distributed water storage, shoreline, etc.
 - Heal the Bay initiatives and statewide initiative to change Prop 218 (Mitch Avalon efforts) to create lower hurdle to get funding.

- Risk allocation and leverage brownfields example: party has large liability but doesn't have funding to fix problem; other parties do liability buy-out and facilitate implementation of cleanup. There's a future value generated by cleanup.
- Risk can be allocated among many parties. Different parties have different mechanisms to deal with risk. Depending on who's involved, can appeal to different groups that want to pay for risk reduction. Some will buy out liabilities.
- Three layers of potential local funding: land use and direct beneficiaries with a suite of tools for assessments, taxes, etc; communities around Bay have their own special taxes and authorities; regional funding.
- CHARG endorse \$12 parcel tax for wetland restoration.
- Consider Mello-Roos mechanisms. The special assessment district laws in the state are basically the same. Mello-Roos can over maintenance.
- Enhanced finance infrastructure: instead of paying more, have county/city contribute future funding from tax funds ("tax increment") to finance now. Get local taxing agency to agree to allocate money.



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FUNDING WORKING GROUP MEETING AGENDA

January 20, 2016 9:00 – 10:30 AM

Elihu M. Harris State Building, 1515 Clay Street Room 1, Oakland, CA

TIME	TOPIC	PRESENTER
9:00 am	Introductions <ul style="list-style-type: none"> • Name • Organization • Interest in Working Group 	Working Group Co Chairs: Kathy Schaefer David Behar Matt Gerhart Norma Camacho
9:20 am	Review CHARG / Funding Working Group priorities and 2018 outcomes and discuss next steps on moving the agenda forward: <ul style="list-style-type: none"> • Funding Brief • Inventory of Funding Mechanisms • Funding Procurement Strategy • Funding Outreach 	Working Group Co Chairs
10:20 am	Next Steps	All
10:30 am	Adjourn <ul style="list-style-type: none"> • Next meeting: Wednesday, February 17 9:00 – 10:00am conference call 	All