

# CRMP

---

## California Residential Mitigation Program A Joint Powers Authority

Date of Notice: Thursday, April 18, 2019

### PUBLIC NOTICE

**A PUBLIC MEETING  
OF THE GOVERNING BOARD OF THE  
CALIFORNIA RESIDENTIAL MITIGATION PROGRAM**

**NOTICE IS HEREBY GIVEN** that the Governing Board of the **California Residential Mitigation Program (CRMP)** will meet in Sacramento, California. The Bagley-Keene Open Meeting Act applies generally to meetings of the board, and the meeting is open to the public—public participation, comments, and questions will be welcome for each agenda item. All items are appropriate for action if the governing board wishes to take action. Agenda items may be taken out of order.

**LOCATION:** Governor's Office of Emergency Services  
("CalOES")  
3650 Schriever Avenue, MPR1  
Mather, California 95655

**DATE:** Monday, April 22, 2019 \*SPECIAL MEETING\*

**TIME:** 9:00am

**AGENDA:**

1. Call to order and member roll call:

Mitch Ziemer – Chair, Insurance and Claim Director, CEA  
Alex Pal, Chief Legal Counsel, Cal OES  
Christina Curry – Vice Chair, Deputy Director, California Office of Emergency Services  
Dan Dyce – Consultant, CEA

*Establishment of a quorum*

2. Special Meeting Justification – Action on finding that the 10-day notice requirement would impose a substantial hardship on the CRMP.
3. CRMP Managing Director Annde Ewertzen will present request to approve utilization of pre-approved CRMP EBB 2019.
4. Action on request to use approved CRMP EBB 2019 funding for CRMP-only funded program.

5. Public comment on items that do not appear on this agenda and public requests that those matters be placed on a future agenda.
6. Adjournment.

**Inquiries/General Information:**

Jacqueline Ball  
(916) 661-5607 (Direct)  
Toll free (877)797-4300  
[jball@calquake.com](mailto:jball@calquake.com)

To view this notice on the CRMP website, please visit  
[www.CaliforniaResidentialMitigationProgram.com](http://www.CaliforniaResidentialMitigationProgram.com)

\* \* \* \* \*

Persons with disabilities may request special accommodations at this or any future CRMP governing board meeting or may request the accommodation necessary to receive agendas or materials prepared for its board meetings.

Please contact Jacqueline Ball by telephone at (916) 661-5607 or by email at [jball@calquake.com](mailto:jball@calquake.com). We would appreciate hearing from you at least five days before the meeting date to best allow us to meet your needs.

**NOTE:** You might have received this notice because your name, or that of your organization, appears on a public-notice list maintained by the California Earthquake Authority. If in the future you do not wish to receive public notices pertaining to the California Residential Mitigation Program, please send your request by email to [info@californiarresidentialmitigationprogram.com](mailto:info@californiarresidentialmitigationprogram.com).

## Governing Board Memorandum

April 22, 2019

Agenda Item 2: CRMP Special Meeting Justification – Action on finding that the 10-day notice requirement would impose a substantial hardship on the CRMP

Recommended Actions: Approve Special Meeting Justification – April 22, 2019

---

### Findings

In accordance with the Bagley-Keene Open Meeting Act, the special meeting of Monday, April 22, 2019, is called based on Government Code Section 11125.4.

The findings that justify the special meeting are as follows:

- (1) On December 11, 2018, the CRMP Board approved funding for the 2019 Earthquake Brace + Bolt Program (“EBB Program”), which was developed to help homeowners lessen the potential for damage to their houses during an earthquake. More specifically, the EBB Program issues earthquake retrofit grants to California homeowners. The grants are made possible by funding from various sources, including the Federal Emergency Management Agency (“FEMA”).
- (2) Due to unanticipated delays in FEMA funding, the CRMP Board seeks to proceed in implementing the 2019 EBB Program for earthquake retrofit grants with the approved CEA funds.
- (3) Seismic retrofitting strengthens houses, making them more resistant to earthquake activity such as ground shaking and soil failure. Preventing any disruption in funding earthquake retrofit grants under the EBB Program is required to protect the public interest from an impending harm from an earthquake that could occur at any time.

For the reasons set forth above, the Board makes a finding in open session that immediate action is required to protect the public interest.

[This finding must be adopted in open session by a two-thirds vote of the body per Section 11125.4(c).]

## Governing Board Memorandum

April 22, 2019

Agenda Item 3: California Residential Mitigation Program incentive program funding for 2019 Earthquake Brace + Bolt Program

Recommended Actions: Approve CRMP funding for CRMP-only funded EBB 2019 Program

---

### **Background**

In 2018, the California Earthquake Authority (CEA) was awarded a \$3 million FEMA Hazard Mitigation Grant Program grant (FEMA-4308-DR-CA) (4308 HMGP Grant).

At the December 11, 2018 CRMP board meeting, the CRMP board approved the proposed 2019 mitigation-program budget, which consisted of \$7.5 million to cover the cost of incentive grants. This amount was for retrofits to be completed in 2019 from the 2018 program (\$1.5 million) and the incentive grants for retrofits to be completed in 2019 for the 2019 program (\$6 million). CRMP anticipated that the 4308 HMGP Grant funds would be available to partially fund the 2019 program.

At its December 12, 2019 meeting, the CEA Governing Board approved the mitigation budget and directed staff to operate the CEA mitigation-related business activities within the approved budget.

While working closely with Cal OES on the 4308 HMGP Grant project, it was determined the aggregate homeowners' share of the retrofit costs could be applied as the cost share for the project. At the same time, CEA also was working closely with Cal OES and was hopeful an additional grant under disaster 4344 might be awarded. With the cost-share determination and the future-funding possibility, CEA anticipated utilizing the 4308 HMGP Grant to fund 1,000 retrofits as part of the CRMP 2019 program, which would not require matching funds from CEA, and potentially utilizing the 4344 HMGP grant, if approved, to fund an additional 1,000 retrofit grants. This would mean the anticipated 2,000 homeowners participating in the 2019 program would not be burdened with the potential tax liability associated with a portion of the retrofit grant incentive coming from CRMP.

Phase I of the 4308 HMGP Grant, which was completed in November 2018, consisted of preparation work, registration of more than 8,600 homeowners and the submittal of the list of homeowners to Cal OES for approval. Phase II, which allows the homeowners to complete their retrofits, begins after CEA receives approval from Cal OES. To-date CRMP has not received approval to allow homeowners to begin retrofitting using the 4308 HMGP Grant.

In recent correspondence from FEMA to Cal OES, FEMA stated there is a key concern by both the State Historic Preservation Office and FEMA regarding the unique nature of the EBB program not allowing for proper Section 106 process. No time frame for resolution has been provided.

The 2018 EBB program is expected to close on May 1<sup>st</sup> with more than 3,300 retrofits completed and an additional 33 homeowners are expected to complete the 2018 program.

To-date, the 2019 program has not opened and therefore no retrofits have been completed.

### **Proposal to Open CRMP-only funded EBB program**

To allow approximately 1,000 homeowners to begin retrofitting their houses immediately, CRMP proposes to utilize funding already approved by for the 2019 EBB program by both the CRMP and CEA governing boards. This funding was initially tied to the 4308 HMGP Grant and was to be used as the required cost share, but it was later determined contributions made by the homeowners toward the retrofit would cover the required cost share for the grant program.

CRMP would offer randomly-selected homeowners the opportunity to participate in the CRMP-only funded 2019 EBB program and would ensure they understood the potential for taxation should they choose to move from the FEMA-funded program to the CRMP-only funded program. Once 1,000 homeowners have agreed to participate in the CRMP-only funded program, CRMP would only continue outreach to additional homeowners should accepted homeowners withdraw from the 2019 program thereby ensuring a cohort of 1,000.

When FEMA funding for the 4308 HMGP Grant becomes available, the remaining registered homeowners will be notified, based on the program's random selection process, and offered a retrofit incentive from the 2019 program. Once the FEMA-funded program has paid out \$3 million in retrofit incentives, remaining randomly-selected homeowners will be offered the opportunity to participate in the CRMP-only funded program if retrofit incentive grants are still available from the 2019 program.

### **Recommendation:**

- Approve utilizing previously approved CRMP 2019 budget funding of \$3 million for a CRMP-only funded EBB program.
- Direct staff to implement a CRMP-only funded EBB program and to conduct all required business-related activities.

## **Governing Board Memorandum**

April 22, 2019

Agenda Item 4:                    Action on request to use approved CRMP EBB 2019 funding for CRMP-only funded program.

Recommended Actions:        Approve CRMP EBB 2019 funding for CRMP-only funded program

---

Action on request to use approved CRMP EBB 2019 funding for CRMP-only funded program.