



CITY OF  
**PALO  
ALTO**

**CITY OF PALO ALTO  
CITY COUNCIL  
Regular Meeting  
Monday, August 05, 2024  
Council Chambers & Hybrid  
5:30 PM**

<b>Agenda Item</b>
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12. Fiscal Year 2024 Annual Evaluation Report for the Santa Clara County Multi-Jurisdictional Program for Public Information on Flood Preparedness and Awareness, and the Resulting Community Rating System Flood Insurance Discounts



## City Council Staff Report

**From: City Manager**

**Report Type: INFORMATION REPORTS**

**Lead Department: Public Works**

**Meeting Date: August 5, 2024**

Report #:2407-3201

### **TITLE**

Fiscal Year 2024 Annual Evaluation Report for the Santa Clara County Multi-Jurisdictional Program for Public Information on Flood Preparedness and Awareness, and the Resulting Community Rating System Flood Insurance Discounts

### **RECOMMENDATION**

This is an informational report and no Council action is required.

### **BACKGROUND**

The Community Rating System (CRS) is a voluntary program under the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program that allows communities to earn flood insurance premium discounts for their residents and businesses. Communities earn CRS credit points for activities that promote flood risk reduction practices and encourage residents and businesses to purchase flood insurance. CRS Class Ratings are assigned at 500-point increments, and each improvement in Class Rating nets an additional 5% flood insurance premium discount. The CRS Class Ratings range from 1 to 10, with 10 being the lowest rating and 1 being the highest. The City of Palo Alto has participated in the CRS program since 1990 and has been rated as a Class 6 community since 2017, affording residents and businesses a 20% or 10% (outside of Special Flood Hazard Area, or SFHA) discount on their flood insurance premiums. The CRS rating was due to a significant effort on flood awareness and floodplain management by the City. Neighboring cities have earned similar CRS ratings (Mountain View – 7, East Palo Alto – 8, Los Altos – 8, Sunnyvale – 7).

The CRS Coordinator's Manual includes the option to implement a regional Program for Public Information (PPI). Under the PPI, a community or group of communities work together to create and deliver customized and consistent flood risk reduction outreach messages. By disseminating these messages, each community earns points that can improve their CRS rating. The number of CRS credit points earned depends on how extensive the implemented program is within each community's boundaries. City of Palo Alto has earned up to 122 points for its PPI efforts.

City of Palo Alto residents and businesses pay \$2.25 million (per FEMA data as of June 1, 2024)

for flood insurance premiums per year. The total savings from the 20% insurance discount achieved by the City on behalf of its residents due to its CRS participation is approximately \$521,000 per year (per FEMA data as of June 1, 2024). Without CRS, the residents and businesses would have paid \$2.77 million. Palo Alto participates in the Santa Clara County Multi- Jurisdictional program to enhance the effectiveness of the flood risk messages to residents, reduce flood risks, and to maintain or improve the City's CRS rating of 6.

As required by the terms of the PPI, the regional PPI committee must convene annually to evaluate whether the flood risk reduction messages are still appropriate and adjust them as needed. A report to FEMA must be submitted annually describing the PPI implementation. The annual report is transmitted to the council of each participating agency to provide updates on the various flood preparedness and awareness outreach programs that the Santa Clara County Multi-Jurisdictional PPI has undertaken for the past year.

## **ANALYSIS**

The annual report for the 2024 Santa Clara County Multi-Jurisdictional PPI is provided as information for Council<sup>1</sup>. The report highlights the elements of the flood safety outreach programs implemented by the eleven Santa Clara County communities (Cupertino, Gilroy, Los Altos, Milpitas, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Santa Clara County, and Sunnyvale) that participate with the Santa Clara Valley Water District (Valley Water) in CRS.

Valley Water, along with representatives from each of the participating communities, developed the original 2015 PPI and the associated annual report. The committee meets annually to evaluate and approve the PPI. The 2024 report was created based on meetings that occurred on March 26, 2024 and May 29, 2024. The final version of the 2024 PPI was presented to and approved by Valley Water's Board of Directors on June 21, 2024. The worksheet on Appendix A lists the outreach projects, implementing agencies, and the messages associated with each of the projects; similarly, Appendix B lists the non-credited CRS outreach projects.

Every year, participating communities must present the PPI plan to the legislative bodies to continue receiving CRS credit. The 2023 Santa Clara County Multi-Jurisdictional PPI was presented to Council on August 14, 2023<sup>2</sup>. Staff will continue to provide information to Council on the Santa Clara County Multi-Jurisdictional PPI on a yearly basis after the end of each Fiscal

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<sup>1</sup> Santa Clara County Multi-Jurisdictional Program for Public Information Annual Report; June 21, 2024; <https://cityofpaloalto.org/files/assets/public/v/1/public-works/staff-reports-all/2024/santa-clara-county-multi-jurisdictional-ppi-2024.pdf>

<sup>2</sup> City Council, August 14, 2023; Agenda Item#9; SR# 2306-1647, <https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/engineering-services/sr2306-1647-fy-2023-annual-crs-flood-insurance-discounts-8.14.2023.pdf>

Year to achieve the maximum number of CRS credit points and associated flood insurance premium discounts for the community.

**FISCAL/RESOURCE IMPACT**

The review and approval of this informational report has no impact on the City's budget. Maintaining this rating and participation in this program saves the Palo Alto community 20% on flood insurance costs.

**STAKEHOLDER ENGAGEMENT**

The program was discussed and prepared by representative staff from the eleven participating communities.

**ENVIRONMENTAL REVIEW**

This is an informational report and not subject to the California Environmental Quality Act (CEQA).

**APPROVED BY:**

Brad Eggleston, Director Public Works/City Engineer