



# 9. Regional Financial Plan

## 9.1 Introduction

This chapter is meant to provide a high level overview of the capacity of the region to fund the projects identified in the RFMP and to identify deficiencies in funding. To provide this overview, the chapter begins with a summary of the financial challenges in the region, followed by information on available Federal and State funding sources, as well as a discussion on local funding capacity and a summary of estimated cost shares for the projects within the RFMP. Lastly, general findings and recommendations for future bond funding are given. This section is based on Appendix XX Financial Plan Technical Memorandum of this document.

The cost share estimates provided in this chapter are based on the assumption that potential funding sources will be available at the time a given project moves forward and that the project will receive an award. Many of the Federal and State funding sources discussed in the chapter are competitive in nature and have limited available funding so an award is not guaranteed even if all criteria is met. Additionally, the estimated provided herein are intended for planning purposes only. A specific financial plan will be necessary for each project if/when it moves forward.

## 9.2 Methodology and Assumptions

The methodologies and assumptions used for the information in this chapter are described below.

### 9.2.1 Methodology

The following steps were taken to obtain the data within this report:

- *Project Review*
  - Project descriptions were reviewed to identify key elements of the project, such as location (urban vs. rural, San Joaquin River vs. Tuolumne River, etc.) and main objective (restoration, flood control, etc.).
- *Potential Funding Source Research and Review*
  - Potential Funding Sources within the region were researched to determine how much funding was available in each funding source, what type of cost share was offered, and what types of projects were eligible.
- *Project and Cost Share Matching*
  - Once key elements of both projects and funding sources were identified, they were used to match projects to funding sources that they met the criteria for.
- *Application of Cost Share Information to Project Cost Data*
  - Once projects were matched with their Potential Funding Sources, the cost share percentages from the funding sources were applied to the project cost to get a cost share (in dollars) at the Federal, State, and Local level. The assumptions made during this process are described below.
- *Local Assessment Analysis*
  - An analysis of potential local assessments was performed by separating the region into land use types and applying the average assessment rates of each land use type. Details of the analysis can be found in the Financial Plan Technical Memorandum attached as Appendix XX of this document under the Local Funding Source section.

### Assumptions

The following assumptions were made to estimate cost shares for each project:

- When projects matched with multiple funding sources, the lowest cost share percentage was used in order to obtain the most conservative cost share estimate.
- When projects had a cost range, the highest cost was used to obtain the most conservative estimate of cost share.
- DWR programs were assumed to have a 50%-90% cost share range per the DWR's "Guidelines for Establishing Local Agency Cost Sharing Formulas for Select Flood Programs and Projects" (2010) unless it was otherwise stated in the grant guidelines.

## 9.3 Financial Challenges

The Mid San Joaquin River Region is predominantly characterized by agriculture and rural land uses. Therefore, raising local funds to implement significant system improvements can be more difficult in this Region compared to more developed areas. Local funding for routine O&M and small repairs is typically provided by landowners within each District. The table below summarizes the approximate annual revenue and expenditures for LMAs in the Region.

LMA	Approx. Levee Miles Maintained	Approx. Annual O&M Expenditures	O&M Funding Sources
RD 1602	6.29	\$10,000 - \$12,000	Individual Property Owners
RD 2031	13.19	\$30,000	Individual Property Owners
RD 2063	10.63	\$83,000	Assessments
RD 2091	7.89*	\$40,000 - \$50,000	Assessments
RD 2092	3.76	\$10,000 - \$12,000	Individual Property Owners
RD 2101	3.51	\$25,000	Individual Property Owner
Gomes Lake	0.3	\$14,000 - \$35,000	JPA (TID, Stanislaus County, City of Turlock, RD 2091, RD 2063)

\*0.3 miles are maintained by TID under the Gomes Lake JPA

During interviews with stakeholders in the Region, many LMAs noted they are comfortable funding basic O&M responsibilities, but given their limited financial resources, they are not able to provide the capital needed to implement large-scale levee repairs. DWR grant programs can help LMAs with these expenses, but financial resources of the LMAs are limited, making it difficult for them to provide the local cost share requirements. Furthermore, LMA staff limitations, combined with the fact that district staff are typically working and/or managing farms full-time, means there is little time left to apply for DWR funding.

These funding challenges extend to enrollment in the PL84-99 program, which restores levee systems to pre-disaster condition in the event of a flood event at no cost to the owner. This program has a clear financial benefit in the case of a major flood event, but many of the RDs in the region are inactive in the program. The costs of the process that USACE offers for LMAs to remain temporarily eligible for the program while working to repair identified issues can be as much as \$200,000. This cost is not feasible for any of the districts in the Mid San Joaquin Region, which has caused RD staff to begin to question the actual financial benefits of the program since program benefits are only realized in the case of a flood event. Rather than spend such a large amount of money on the re-enrollment process, many RDs have come to the conclusion that their limited budget is better spent to maintain their levees.

The Region identified approximately 37 projects with a total estimated cost of over \$330M. Assuming a minimal local cost share of 10%, this equates to nearly \$33M. Even if these improvements were spread over a 20-30 year timeframe, it appears the current system of flood control infrastructure funding and implementation may be unsustainable unless other benefits can be provided for other uses or even other regions.

## 9.4 Available Funding Sources

This section provides an overview of some of the funding sources available in the region. Due to the changing nature of funding sources, this list is not intended to detail every funding source available, but instead includes the most common funding sources in the Region. This section describes funding sources at the Federal and State level, separated into conservation, structural, and non-structural programs. The table below includes each funding source looked at within the financial plan, with a short description and the associated cost share. For more detailed information on funding programs see the Mid San Joaquin RFMP Financial Plan Technical Memorandum attached as an appendix to this document.

### 9.4.1 Federal Programs

#### Conservation Funding Sources

Program Name	Program Summary	Cost Share
Anadromous Fish Restoration Program and Anadromous Fish Screen Program	Designed to protect, restore, and enhance fish, wildlife, and associated habitats in the Central Valley	50%
Central Valley Project Improvement Act (CVPIA) – Habitat Restoration Program and Conservation Program	Highly integrated efforts to restore and protect species and habitats impacted by the CVP.	Not Required
Endangered Species Act Section 6 Grant Program	Provides grants to states and territories to participate in a wide array of voluntary conservation projects for candidate, proposed, and listed species.	75%-90%
Environmental Quality Incentives Program (EQIP)	Provides assistance to agricultural producers in order to address natural resource concerns and deliver environmental benefits.	50%
Land and Water Conservation Fund	Provides matching grants to States and local governments for the acquisition and development of public outdoor recreation areas and facilities.	50%
North American Wetlands Conservation Act (NAWCA)	Provides matching grants to carry out wetlands conservation projects.	50%

#### Structural Flood Control Funding Sources

Program Name	Program Summary	Cost Share
Flood Mitigation Assistance (FMA)	Provides funding to assist in efforts to reduce or eliminate the risk of repetitive flood damage to buildings and structures insurable under the National Flood Insurance Program (NFIP).	75%-100%
Pre-Disaster Mitigation (PDM)	Designed to help implement a sustained pre-disaster natural hazard mitigation program to reduce overall risk to the population and structures from future hazard events, while also reducing reliance on Federal funding from future disasters.	75%-90%
USACE Funding	Cost sharing with USACE on SPFC USACE studies and projects	50% - 65%

## Non-Structural Flood Control Funding Sources

Program Name	Program Summary	Cost Share
Emergency Watershed Protection Program – Floodplain Easement Option (EWP-FPE)	Provides an alternative measure to traditional EWP recovery, where it is determined that acquiring an easement in lieu of recovery measures is the more economical and prudent approach to reducing a threat to life or property.	Not Required

## 9.4.2 State Programs

### Conservation Funding Sources

Program Name	Program Summary	Cost Share
California Riparian Habitat Conservation Program (CRCHP)	Designed to protect, preserve, restore and enhance riparian habitat throughout California	50% - 90%
California River Parkway Program	Competitive grant program for river parkways projects.	50% - 90%
Central Valley Flood System Conservation Framework and Strategy	Funds planning and implementation of projects in support of the Central Valley Flood System Conservation Framework and the Conservation Strategy.	50% - 90%
Flood Corridor Program (FCP)	Funds non-structural flood risk reduction projects containing ecosystem and/or agricultural land conservation components	50% - 90%
Habitat Conservation Fund (HCF) Program	Provides funds to local entities to protect threatened species, to address wildlife corridors, to create trails, and to provide for nature interpretation programs which bring urban residents into park and wildlife areas	50%
Inland Wetlands Conservation Program	Created to protect, restore, and enhance wetlands and associated habitats.	50%
Urban Greening for Sustainable Communities - Planning	Provides funds to assist entities in developing a master urban greening plan that will ultimately result in projects to help the State meet its environmental goals and the creation of healthy communities.	Not Req.
Urban Greening for Sustainable Communities - Project	Provides funds to preserve, enhance, increase or establish community green areas such as urban forests, open spaces, wetlands and community spaces (e.g., community gardens).	Not Req.
Urban Streams Restoration Program	Provides grants for stream restoration projects that reduce flooding or erosion and associated property damages; restore, enhance, or protect the natural environment; and promote community involvement, education, and stewardship in urban streams.	Not Req.

## Structural Flood Control Funding Sources

Program Name	Program Summary	Cost Share
Flood System Repair Project (FSRP)	Designed to evaluate (feasibility), design, and construct repairs on non-urban SPFC facility (levees, channels, structures, etc.) deficiencies.	50%-90%
Integrated Regional Water Management (IRWM)	Grant funds for development and revisions of IRWM Plans, and implementation of projects in IRWM Plans.	50%-75%
Local Levee Assistance Program (LLAP)	Designed for projects to immediately repair and improve critically-damaged local levees, evaluate levee stability and levee seepage and underseepage, and to perform design or alternatives analysis.	50% - 90%
Small Community Flood Risk Reduction (SCFRR)	Designed to help implement projects to reduce flood risk in small, rural, and agricultural communities in the Central Valley.	50% - 90%
Storm Water Flood Management Program	Designed to help fund storm water management projects that reduce flood damage and provide multi-benefits.	50% - 75%
Systemwide Flood Risk Reduction (SWFRR)	Designed to help implement recommendations of the Basin-wide feasibility studies.	50% - 90%
Urban Flood Risk Reduction (UFRR)	Designed to help improve urban SPFC levees within the Central Valley to a 200-year level of protection.	50% - 90%

## Non-Structural Flood Control Funding Sources

Program Name	Program Summary	Cost Share
Flood Emergency Response – Forecast-Coordinate Operations (F-CO)	Designed to further participation of reservoir operators (affecting the Central Valley) in the F-CO program.	50% - 90%
Flood Emergency Response Statewide Emergency Response Grants	Designed to provide support for local EAPs or related flood preparedness and response activities.	50% - 90%
Watershed and Environmental Improvement Program	Designed to proactively manage, protect and restore environmental resources affected by SPUFC system operations.	Not Req.

### 9.4.3 Local Funding Sources

The following sections detail potential sources of funding for the local cost share that is required by many Federal and State grant programs.

#### Proposition 218 Assessments

An analysis of potential local assessments was performed by separating the region into land use types and applying the average assessment rates of each land use type. Details of the analysis can be found in the Financial Plan Technical Memorandum attached as an appendix to the document under the Local Funding Source section.

The following table details the results of the assessment analysis.

Benefit Area	District Within Benefit Area	Hypothetical Assessment Potential	Total Current Assessments	Hypothetical Net Assessment Potential
1	1602	\$20,778	\$12,000	\$8,778
2	2031	\$70,461	\$30,000	\$40,461
3	2063	\$81,864	\$56,000	\$25,864
4	2091	\$50,298	\$50,000	\$298
5	2101	\$8,075	\$25,000	\$0*
			<b>Total</b>	<b>\$75,400</b>

\*If current assessments were found to be greater than assessment potential, net assessment potential was found to be 0.

Calculating future funding potential using the hypothetical net yearly assessment potential of \$75,400, and assuming a 4% interest rate compounded annually over a 30 year period, it was found that the region could possibly raise \$1.3 million over the next 30 years, in present day dollars.

### City Governments

The cities of Modesto, Patterson, and Newman are not within the boundaries of the Mid San Joaquin Region as defined by DWR, but are important urban centers to the Region, have a flood nexus to the Region, and have projects identified in the RFMP effort. Discussions with city staff indicate that there is no existing budget available for flood control projects, and that any contribution would have to come from the City's general fund. These funds are already committed in many cases, thus, any contribution from them would be difficult to obtain.

### Stanislaus County

Discussions with County staff found that there is little to no allowance in the existing budget for flood control, with the exception of funding for the Office of Emergency Service (OES). With this being the case, any contribution from the County would likely have to come from their general fund. With so many demands already on the general fund it will be a challenge to divert any additional funds to go toward fulfilling the local cost share for flood control projects. Therefore, County contributions to the local cost share of projects should not be expected.

### NGO Funding in the Region

Funding from NGOs in the region is one possible way to raise the local cost share that projects will require. Below are some NGOs with funding programs that could possibly contribute to the required local cost share for projects.

#### California Water Foundation

The California Water Foundation (CWF), an initiative of Resources Legacy Fund (RLF), awards grants in our three principal program areas – Increasing Water Use Efficiency, Improving Groundwater Management, and Restoring River Systems – as well as the overarching program area of Advancing Integrated Water Management.

<http://www.californiawaterfoundation.org/>

#### National Fish and Wildlife Foundation

NFWF supports conservation efforts in all 50 states, U.S. territories and abroad. Grants are made through a competitive process and awarded to some of the nation's largest environmental organizations, as well as some of the smallest. NFWF specializes in bringing all parties to the table – individuals, government agencies, nonprofit organizations and corporations in order to protect and restore imperiled species, promote healthy oceans and estuaries, improve working landscapes for wildlife, advance sustainable fisheries and conserve water for wildlife and people.

<http://nfwf.org/Pages/default.aspx>

#### Stanislaus Community Foundation

Stanislaus Community Foundation supports high impact opportunities within Stanislaus County. Working in partnership with local agencies, the foundation brings funding and resources to the community for grants and scholarships.

<http://www.stanislauscommunityfoundation.org/>

#### Trust for Public Land

The Trust for Public Land (TPL) helps communities to raise funds for conservation, conduct conservation research and planning, acquire and protect land, and design and renovate parks, gardens, and playgrounds. The TPL does this by helping state and local governments design, pass, and implement legislation and ballot measures that create new public funds.

<https://www.tpl.org/>

## 9.5 Project Cost Share

The following tables show estimated cost shares for each project identified by the RFMP effort. The cost shares in the tables represent conservative estimates from the funding sources that each project was matched with. For more information on how projects were matched with funding sources and a detailed list of what funding programs were matched with each project, please see the Mid San Joaquin RFMP Financial Plan Technical Memorandum Appendix III.

For the following tables projects have been broken into two categories: Projects within the Mid San Joaquin Boundary and Projects Outside of the San Joaquin Boundary. The information in these tables is meant to give a planning level estimate of what the Federal, State, and Local cost shares might look like for each project, and to get a total regional cost for each cost share type, in order to provide insight into the amount of future bond funding that may be needed.

Projects Within the Mid San Joaquin Region Boundary

Project	Cost Share (%)					Project	Total Project Cost	Cost Share (\$)								
	Federal Cost Share (%)	State Cost Share Range (%)		Local Cost Share Range (%)				Federal Cost Share	Non - Federal Project Cost	State Cost Share Range		Local Cost Share Range		Local Cost Share Source		
		Low	High	Low	High					Low	High	Low	High	Private Land Owners	Local Government	Non-Profit Organization
Consolidation of O&M	0%	50%	90%	10%	50%	Consolidation of O&M	\$200,000	\$0	\$200,000	\$100,000	\$180,000	\$20,000	\$100,000	X		
Dos Rios Ranch Floodplain Expansion and Ecosystem Restoration Project and Hidden Valley Ranch Mitigation Project	50%	50%	90%	10%	50%	Dos Rios Ranch Floodplain Expansion and Ecosystem Restoration Project and Hidden Valley Ranch Mitigation Project	\$8,000,000	\$4,000,000	\$4,000,000	\$2,000,000	\$3,600,000	\$400,000	\$2,000,000			X
Emergency Response Plan - Debris Management	0%	50%	90%	10%	50%	Emergency Response Plan - Debris Management	\$110,000	\$0	\$110,000	\$55,000	\$99,000	\$11,000	\$55,000		X	
Emergency Response Plan - Local Planning and Training	0%	50%	90%	10%	50%	Emergency Response Plan - Local Planning and Training	\$110,000	\$0	\$110,000	\$55,000	\$99,000	\$11,000	\$55,000		X	
Flood Risk Education	50%	50%	90%	10%	50%	Flood Risk Education	\$30,000	\$15,000	\$15,000	\$7,500	\$13,500	\$1,500	\$7,500			X
Gomes Lake / Harding Drain Improvements	75%	50%	90%	10%	50%	Gomes Lake / Harding Drain Improvements	\$1,700,000	\$1,275,000	\$425,000	\$212,500	\$382,500	\$42,500	\$212,500		X	
Hydraulic and Channel Migration Studies	0%	50%	75%	25%	50%	Hydraulic and Channel Migration Studies	\$200,000	\$0	\$200,000	\$100,000	\$150,000	\$50,000	\$100,000		X	
Integrated Levee Vegetation Management - Flood Maintenance and Habitat	75%	50%	90%	10%	50%	Integrated Levee Vegetation Management - Flood Maintenance and Habitat	\$6,400,000	\$4,800,000	\$1,600,000	\$800,000	\$1,440,000	\$160,000	\$800,000			X
Modesto WWTP - Reduce Flood Risk	75%	50%	90%	10%	50%	Modesto WWTP - Reduce Flood Risk	\$80,000,000	\$60,000,000	\$20,000,000	\$10,000,000	\$18,000,000	\$2,000,000	\$10,000,000		X	
Reclamation District 1602 Resilience	75%	50%	90%	10%	50%	Reclamation District 1602 Resilience	\$4,700,000	\$3,525,000	\$1,175,000	\$587,500	\$1,057,500	\$117,500	\$587,500		X	
Reclamation District 2031 Resilience	75%	50%	90%	10%	50%	Reclamation District 2031 Resilience	\$2,000,000	\$1,500,000	\$500,000	\$250,000	\$450,000	\$50,000	\$250,000	X		
Reclamation District 2063 Resilience	75%	50%	90%	10%	50%	Reclamation District 2063 Resilience	\$900,000	\$675,000	\$225,000	\$112,500	\$202,500	\$22,500	\$112,500	X		
Reclamation District 2091 Resilience	75%	50%	90%	10%	50%	Reclamation District 2091 Resilience	\$400,000	\$300,000	\$100,000	\$50,000	\$90,000	\$10,000	\$50,000	X		
Reclamation District 2101 Resilience	75%	50%	90%	10%	50%	Reclamation District 2101 Resilience	\$3,000,000	\$2,250,000	\$750,000	\$375,000	\$675,000	\$75,000	\$375,000	X		
Reducing Sediment Loading into San Joaquin River from Westside Agricultural Lands	50%	50%	75%	25%	50%	Reducing Sediment Loading into San Joaquin River from Westside Agricultural Lands	\$65,000,000	\$32,500,000	\$32,500,000	\$16,250,000	\$24,375,000	\$8,125,000	\$16,250,000		X	
Regional Maintenance Technical Support	0%	50%	90%	10%	50%	Regional Maintenance Technical Support	\$100,000	\$0	\$100,000	\$50,000	\$90,000	\$10,000	\$50,000	X		

Projects Within the Mid San Joaquin Region Boundary

Project	Cost Share (%)					Project	Total Project Cost	Cost Share (\$)								
	Federal Cost Share (%)	State Cost Share Range (%)		Local Cost Share Range (%)				Federal Cost Share	Non - Federal Project Cost	State Cost Share Range		Local Cost Share Range		Local Cost Share Source		
		Low	High	Low	High					Low	High	Low	High	Private Land Owners	Local Government	Non-Profit Organization
Sediment Management Investigation	0%	50%	90%	10%	50%	Sediment Management Investigation	\$250,000	\$0	\$250,000	\$125,000	\$225,000	\$25,000	\$125,000			X
Three Amigos (also known as the Non-structural Alternative at the San Joaquin River National Wildlife Refuge)	50%	50%	90%	10%	50%	Three Amigos (also known as the Non-structural Alternative at the San Joaquin River National Wildlife Refuge)	\$5,500,000	\$2,750,000	\$2,750,000	\$1,375,000	\$2,475,000	\$275,000	\$1,375,000			X
Westside Creeks On-Farm Multi-Benefit Program	50%	50%	90%	10%	50%	Westside Creeks On-Farm Multi-Benefit Program	\$75,000	\$37,500	\$37,500	\$18,750	\$33,750	\$3,750	\$18,750			X
WSID Fish Screen Project	50%	50%	90%	10%	50%	WSID Fish Screen Project	\$38,000,000	\$19,000,000	\$19,000,000	\$9,500,000	\$17,100,000	\$1,900,000	\$9,500,000		X	
Totals							\$216,675,000	\$132,627,500	\$84,047,500	\$42,023,750	\$70,737,750	\$13,309,750	\$42,023,750			

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Projects Outside of the Mid San Joaquin Region Boundary

Project	Cost Share (%)					Total Project Cost	Federal Cost Share	Non - Federal Project Cost	Cost Share (\$)				Local Cost Share Source		
	Federal Cost Share (%)	State Cost Share Range (%)		Local Cost Share Range (%)					State Cost Share Range		Local Cost Share Range		Private Land Owners	Local Government	Non-Profit Organization
		Low	High	Low	High				Low	High	Low	High			
Black Gulch Drainage Study	0%	50%	75%	25%	50%	\$28,000	\$0	\$28,000	\$14,000	\$21,000	\$7,000	\$14,000		X	
City of Newman/ Bureau of Reclamation Flood Levee Rehabilitation	75%	50%	90%	10%	50%	\$225,000	\$168,750	\$56,250	\$28,125	\$50,625	\$5,625	\$28,125		X	
Dennet Dam Removal	50%	50%	90%	10%	50%	\$700,000	\$350,000	\$350,000	\$175,000	\$315,000	\$35,000	\$175,000			X
Dry Creek Watershed Detention Reconnaissance Study	50%	50%	90%	10%	50%	\$250,000	\$125,000	\$125,000	\$62,500	\$112,500	\$12,500	\$62,500		X	
La Grange Floodplain Restoration and Spawning Gravel Augmentation	50%	50%	90%	10%	50%	\$1,500,000	\$750,000	\$750,000	\$375,000	\$675,000	\$75,000	\$375,000			X
Little Salado Creek	50%	50%	90%	10%	50%	\$5,000,000	\$2,500,000	\$2,500,000	\$1,250,000	\$2,250,000	\$250,000	\$1,250,000		X	
Orestimba Creek Flood Management Project	50%	50%	90%	10%	50%	\$44,000,000	\$22,000,000	\$22,000,000	\$11,000,000	\$19,800,000	\$2,200,000	\$11,000,000		X	
Patterson WWTP - Reduce Flood Risk	75%	50%	90%	10%	50%	\$27,000	\$20,250	\$6,750	\$3,375	\$6,075	\$675	\$3,375		X	
Riverfront Park Project	50%	50%	90%	10%	50%	\$2,500,000	\$1,250,000	\$1,250,000	\$625,000	\$1,125,000	\$125,000	\$625,000		X	
Salado Creek Flood Management Project	50%	50%	75%	25%	50%	\$600,000	\$300,000	\$300,000	\$150,000	\$225,000	\$75,000	\$150,000		X	
SB5 Compliance - City of Modesto	75%	50%	90%	10%	50%	\$130,000	\$97,500	\$32,500	\$16,250	\$29,250	\$3,250	\$16,250		X	
SB5 Compliance - City of Newman	75%	50%	90%	10%	50%	\$125,000	\$93,750	\$31,250	\$15,625	\$28,125	\$3,125	\$15,625		X	
SB5 Compliance - City of Patterson	75%	50%	90%	10%	50%	\$205,000	\$153,750	\$51,250	\$25,625	\$46,125	\$5,125	\$25,625		X	
Storm Drainage Enhancements along Salado Creek	75%	50%	90%	10%	50%	\$880,000	\$660,000	\$220,000	\$110,000	\$198,000	\$22,000	\$110,000		X	
Tuolumne River Flood Management Feasibility Study	50%	50%	75%	25%	50%	\$3,000,000	\$1,500,000	\$1,500,000	\$750,000	\$1,125,000	\$375,000	\$750,000		X	
Tuolumne River Regional Park – Carpenter Road/West Modesto Flood Management and Park Development	50%	50%	90%	10%	50%	\$750,000	\$375,000	\$375,000	\$187,500	\$337,500	\$37,500	\$187,500		X	
Tuolumne River Regional Parkway	50%	50%	90%	10%	50%	\$60,000,000	\$30,000,000	\$30,000,000	\$15,000,000	\$27,000,000	\$3,000,000	\$15,000,000		X	
Totals						\$119,920,000	\$60,344,000	\$59,576,000	\$29,788,000	\$53,344,200	\$6,231,800	\$29,788,000			

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## 9.6 Findings

The total estimated cost of all identified projects within the Mid SJ Region boundary is approximately \$175 million. Based on the assumed cost share for each project (see Appendix XX Financial Plan Technical Memorandum of this document) this equates to an estimated Federal cost share of \$111 million, a State cost share of \$32 to \$53 million, and local funding in the amount of \$11 million to \$32 million.

According to the assessment analysis, the areas within the Mid SJ Region boundaries could hypothetically raise local cost share funds in the range of \$1.3 million over the next 30 years. Subtracting that amount from the total required local cost share for all projects within the Mid SJ Region leaves a total of \$10 million to \$31 million of local cost share deficit. With this amount of local cost share deficit it is clear that the Region will need assistance from sources other than assessments.

Projects that are located outside of the Mid San Joaquin Region boundary, but were included in the RFMP effort, totaled approximately \$157 million. State cost share for these projects is in the range of \$39 million to \$70 million, leaving a local cost share range of \$8 million to \$39 million. An assessment analysis of the regions outside the boundaries of the Mid SJ Region was not within the scope of this report, but due to the urban nature of many of the areas which these projects are located, it can be assumed that the assessment potential in a successful Proposition 218 election would be much larger than that of the rural districts within the boundaries of the Mid SJ Region.

## 9.7 Recommendations

Due to the Mid San Joaquin Region's lack of local funding potential, the recommendation of the RFMP team is that the State to make higher cost shares available for projects in the region. These higher cost shares will be necessary in order to accomplish many of the projects identified by the RFMP effort. The RFMP team identified two ways of making these higher State cost shares possible. The first is for the State to revisit its grant guidelines, with special consideration to the local ability to pay provisions. This could allow projects that are unable to pay the local cost share the chance to be funded. The second is for the State to consider increasing its contributions for projects that have major ecosystem benefits due to the public benefit such projects provide. Since many of the projects in the Mid San Joaquin Region contain restoration elements this could help make up for the lack of local funding potential.

Given the estimated State cost share and the local funding deficiencies, additional bond funding in the range of \$40 to \$80 million may be needed in the region. If projects outside of the RFMP boundary are included, this range could grow to \$100 to \$200 million. These future bond funding estimates are intended for planning purposes only and should only be used for such.

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