

SACRAMENTO COUNTY

DEPARTMENT OF WATER RESOURCES

HAZARD MITIGATION GRANT PROGRAM

GUIDE FOR PROPERTY OWNERS

BACKGROUND ON THE PROGRAM

The County of Sacramento Department of Water Resources Floodplain Management Section was awarded Hazard Mitigation Grant Program (HMGP) funding from the Federal Emergency Management Agency (FEMA) for property owners with homes that are at risk of flooding to elevate their homes above the 100-year floodplain.

Grants are not loans; that is, they are not paid back.

The County is sub-grantee, the State is the grantee, and FEMA is the grantor. Through this HMGP, the grant funds 75% of eligible costs with federal HMGP funds, leaving at least 25% of the eligible costs as a local match. Generally, the homeowner pays the local match. In certain areas of the County (County Stormwater Utility or the Beach Stone Lake mitigation) there are funds authorized by the Board of Supervisors that can help with a portion of the local match. The eligible costs, federal and local match will be described in detail on the Agreement with the County.

The FEMA HMGP funding program is managed by the State of California - Governor's Office of Emergency Services (Cal-OES), administered by Sacramento County Department of Water Resources Floodplain Management Section under the authority of the Sacramento County Board of Supervisors, and is consistent with all federal, state and local regulations.

You are receiving this Guide to assist in the successful completion of your home elevation project. For more information, please contact:

Floodplain Management Section, Sacramento County Dept Water Resources
827 Seventh Street, Room 301 | Sacramento, CA 95814

Attn.: George H. Booth
Office: (916) 874-6484 Email: boothg@SacCounty.NET
or

Attn.: Shayan Rehman
Office: (916)874-3768 Email: rehmans@SacCounty.NET

Harris Associates Consultants will review your bids, duplication of benefits and grant eligibility.

HOME ELEVATION PROGRAM – PRELIMINARY STEPS

1. **Please read the entire document:** This information has been compiled to help homeowners to become familiar with the home elevation process and grant reimbursement program. Please read the entire document and contact County staff or their agents for help in explaining the steps outlined within this document.
2. **Grant approval:** FEMA and Cal-OES will notify the County of the HMGP grant's approval. County staff will notify the homeowners participating in the grant program when they can proceed with the steps outlined later within this guidance document.
3. **Meet with the County:** Once homeowners receive notification from the County regarding the approval of the grant award, please contact County staff or their agents to schedule a meeting to discuss the home elevation process and next steps.
4. **Agreement:** The eligible homeowners will enter into a Funding Agreement (Exhibit 2) and Hold Harmless Indemnification (Attachment 8) with the County before starting work.

ELIGIBLE COSTS

The cost of the project shall only include those activities associated with mitigating the flood risk. The HMGP grant funds 75% of eligible costs with federal funds, leaving at least 25% of the eligible costs as a homeowner co-payment. Eligible costs are only those directly related to the elevation project such as construction plans, building permit, and contractor services to mitigate the flood risk.

Allowable costs are costs that are necessary and reasonable for the proper and efficient performance and administration of the Federal award. The following costs associated with structure elevation projects are generally allowable, including but not limited to, the following:

- Architectural design, structural analysis, geotechnical analysis **[eligible cost may not exceed nine percent (9%) of the construction cost]**
- Environmental and historic preservation (EHP)
- Permit and inspection fees
- Disconnection of all utilities
- Physical elevation of the structure and subsequent lowering and attachment of the structure onto a new foundation
- Building of a foundation so that the lowest floor is 1.5 feet above the Base Flood Elevation (BFE)
- For slab on grade, the project will include construction of a new floor system
- Stairs and a landing area deck at each exterior door
- Reconnecting utilities and extending lines and pipes as necessary and elevating all utilities and service equipment
- Debris disposal and abatement of hazardous material, such as asbestos and lead
- Site erosion control
- Costs for repair of lawns, landscaping, sidewalks, and driveways if damaged by elevation activities [eligible cost may not exceed \$3200]
- Raising hot water heater and air conditioning unit

HMGP Guide for Property Owners

- Construction of ADA-compliant access facilities or ramps when an owner or a member of the owner's family has a permanent disability and a physician's written certification. An ADA-compliant access to ingress/egress is allowable for funding unless specified otherwise in applicable State or local codes (for more information on ADA, see <http://www.ada.gov>). If ramps are not technically feasible, a mechanical chair lift may be an eligible cost.
- Filling basements with compacted clean fill
- Requirements under the Environmental and Historic Preservation conditions stated on the grant agreement

INELIGIBLE COSTS

There will be costs that are not eligible under the grant program, including but not limited to, the following:

- Living out costs (rent, meals, per diem) during construction
- Costs for elevating the home higher than the minimum required by the Sacramento County Floodplain Management Ordinance
- Building additions
- Construction of new decks or porches greater than the nominal landing required at each door
- Additional aesthetic improvements
- Repair of deferred maintenance and code violations
- Resolution of permit issues, such as prior work done without a permit
- Additional landscaping for ornamentation beyond repair of what existed on the site prior to construction of the project
- Costs associated with converting a raised attached garage area to living space
- Duplicated benefits (DOB)
- Some homeowners desire to improve their house while constructing the HMGP project. This is encouraged but the costs must be carefully separated from the eligible grant project cost.
- Total project cost exceeding estimate in grant application or federal cap (see Homeowner Grant Agreement)

INCOME TAX

The County will issue a tax form describing the transaction. In 2015, the guidance from FEMA stated that this project is not subject to federal tax (see **Attachment 7**). You should check with your tax advisor on the subject of income tax. Nevertheless, the County must prepare a W-9 form, with information you provide (Exhibit 3).

DUPLICATION OF BENEFITS

The terms of the HMGP disallow duplicating federal benefits on a property.

Duplication of Benefits (see Attachments 3a and 3b) is the term used to describe when assistance from more than one source is used for the same purpose or activity. The purpose may be for all or a portion of the elevation project. HMGP funds cannot be used where an individual's disaster recovery or disaster mitigation needs have been or will be met through other assistance.

FEMA, the grantee (Cal-OES), and sub grantee (County) must avoid duplication of benefits between HMGP and any other form of assistance, as required by Section 312 of the Stafford Act, and further clarified in federal code 44 CFR 206.191. HMGP recipients should not receive money from more than one source for the same activity.

To learn more about duplication of benefits, search for FEMA media library then search for HMA tool for identifying duplication of benefits or click the link below,

https://www.fema.gov/media-library-data/20130726-1901-25045-3291/duplication_of_benefits_guide_2013.pdf

It may work best to copy and paste the link into a search engine.

➔ Harris Associates can help you with any duplication of benefits questions.

The Property Owner must assure the grantor that any funding received from other programs was spent for its intended purpose. Agencies and funding mechanisms include the following:

Insurance (Homeowner and NFIP)

Report fund received from flood insurance and other insurance claims and account for how those funds were spent. Insurance claims should be closed prior to the start of the mitigation activities. In order to finalize insurance proceeds received, a letter should be provided stating that all claims are closed.

If the insurance proceeds are spent as intended for only repairs and replacement of personal property, then they are not deducted as DOB; however, if, as allowed by the insurance, some of the repair funds are used toward elevation mitigation activities, then the funding used for the elevation mitigation activities must be deducted as DOB.

Increased Cost of Compliance (ICC)

Increased Cost of Compliance (ICC) insurance coverage provides for a claim payment to pay qualifying owners' costs to elevate, demolish, relocate, or flood-proof (non-residential buildings only) after a flood. The maximum amount of Increased Cost of Compliance coverage available is \$30,000. Because these are also eligible HMGP costs, the homeowner cannot receive HMGP funds for the same costs. However, if the insurance claim does not pay the total mitigation cost, an HMGP grant can pay the remainder. The Increased Cost of Compliance insurance claim payment would then be counted toward federal cost-share.

Small Business Administration (SBA) Disaster Loans

SBA disaster loans can be allocated for both housing repairs and for mitigation. DOB should be reviewed as follows:

SBA Disaster Loans (Mitigation): When SBA loan funds are received by a property owner to complete a mitigation activity, HMGP funds cannot duplicate the purpose covered by the loan, nor can they be used to in the form of a grant for loan “swap” or to pay down an SBA loan. SBA loan funds are considered to be received by the property owner when the direct loan agreement has been signed by all parties and can be verified by FEMA or through coordination with SBA.

SBA Disaster Loans (Repairs): If the SBA loan funds are spent as intended for only repairs, then they are not deducted as DOB. If however, as allowed by SBA some of the repair funds are used toward elevation mitigation activities then the funding used for the elevation mitigation activities must be deducted as DOB.

FEMA Individuals and Households Program (IHP) Assistance

FEMA IHP assistance for repair or temporary housing are not treated as DOB unless the funds were used for mitigation activities, and/or the homeowner claimed relocation expenses that were in fact covered by temporary housing assistance from IHP.

TO ENSURE THE SUCCESSFUL COMPLETION OF YOUR HOME ELEVATION PROJECT PLEASE FOLLOW THE STEPS OUTLINED BELOW

Step 1 – Meeting

Homeowner and designer meet with County and Harris Associates to discuss your project, grant requirements, eligible and ineligible costs, design professional and contractor selection, and reimbursement process. Discuss project conditions such as Environmental and Historic Preservation (Attachment 2 Environmental and Historic Preservation).

After the initial meeting, the County will set a survey stake on your property stating the minimum height to which the floor will be lifted.

Step 2 - Prepare Construction Drawings & Estimates

A qualified professional of your choice will need the following to prepare your construction drawings, engineering and cost estimates. With the survey stake in Step 1, your qualified designer will prepare a complete set of construction plans for foundations footings, walls and other supporting assemblies, and draw the plans and details so that they reflect the required design and standards of the County Building Code. Therefore, your designer’s team will include engineers and professionals qualified in geotechnical foundation design and structural analysis.

HMGP Guide for Property Owners

The following references are available for the selected design professional to use in preparing construction documents and cost estimates:

Reference	Website
Sacramento County Floodplain Management Ordinance	www.saccodwr.org search floodplain management ordinance 2017 or click http://www.waterresources.saccounty.net/Pages/CodesOrdinances.aspx
Board of Professional Engineers and Land Surveyors Guide for Consumers	https://www.bpelsg.ca.gov/pubs/consumer_guide.pdf
FEMA P-259, Engineering Principles and Practices of Retrofitting Flood prone Residential Structures, 3rd Edition, January 2012	https://www.fema.gov/media-library/assets/documents/3001
FEMA P-312, Homeowners Guide to Retrofitting, 3rd Edition, June 2014	https://www.fema.gov/media-library/assets/documents/480
FEMA 347, Above the Flood: Elevating Your Flood Prone House, May 2000	https://www.fema.gov/media-library/assets/documents/725
FEMA Technical Bulletin TB-1, Openings in Foundation Walls and Walls of Enclosures, 2008	https://www.fema.gov/media-library/assets/documents/2644
FEMA Technical Bulletin TB-2, Flood Damage-Resistant Materials Requirements, 2008	https://www.fema.gov/media-library/assets/documents/2655
Sacramento County Building Department	http://www.building.saccounty.net
Sacramento County Submittal Requirements for Residential Building Permits	http://www.building.saccounty.net/HomeOwner/Pages/SubmitReqResBldPermits-HO.aspx
Sacramento County Residential Plan Requirements	http://www.building.saccounty.net/Public%20Documents/PR-11%20Residential%20Plan%20Requirements.pdf
FEMA Hazard Mitigation	https://www.fema.gov/hazard-mitigation-assistance-publications

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Step 3 – Hire a Contractor

The grant and Sacramento County requires that you obtain a minimum of **two bids** for the construction of your project. It is to your advantage to obtain more bids to find the qualified contractor and a budget that works for you. You might have one general contractor who manages subcontractors, or you might hire the contractors under separate Agreements, such as general contractor, house mover (lifting) contractor and a landscape contractor.

The Department of Consumer Affairs – Contractors State License Board website provides valuable information to homeowners hiring a contractor. This information can be found at the CSLB website: http://www.cslb.ca.gov/Consumers/Hire_A_Contractor/

For more information, the International Association of Structural Movers (IASM) website (<http://www.iasm.org/>) contains resources for homeowners to consider when elevating your house and a list of their members within California, including a few local contractors.

Please use a form similar to **Attachment 1 Bid Form** so that the items being bid align with the grant, this will make it easier to obtain grant progress payments.

Permits & Inspection

Home elevation projects require plan review and inspection by the County Building Permits and Inspection Department. For more information about Building Permits, contact the Building Permits and Inspection Department (916) 875-5296 or visit their website: <http://www.building.saccounty.net/Pages/default.aspx>

Homeowner’s Construction

Do it yourself general contracting is **not** appropriate for this project.

Prevailing wage law does apply to this project.

Owner/builders will need to hold the proper license for the type of work to be performed.

If the homeowner is a licensed contractor, she or he may perform the work; however, the cost will be examined compared to two other competitive bids.

There are some construction activities that would not require a license, thus the homeowner may be able and interested in performing these tasks and applying the value to the local match. This must be done cautiously. Some work performed by an owner can contribute towards the matching funds requirement for the grant program. However, the value will be compared to competitive bids, and the owner must document labor hours and materials in careful consideration of the audit that accompanies grant close out. Care must be taken to describe this activity in detail in the Agreement with the County.

Bonding and Insurance Requirements

All contractors must be properly licensed in California. They are responsible for complying with all local and state laws, and they must provide a 100% Performance Bond and liability insurance.

Copies of the Performance Bond and Certificates of Insurance must be provided to the County of Sacramento Department of Water Resources and to the Building Permits and Inspection Division prior to issuance of a Building Permit. See Attachment 5a Bond and Insurance Requirements and Attachment 5b Performance Bond.

Other Bonding and Insurance Requirements

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In addition to the requirements listed above, the homeowner shall require the contractor to provide:

- Proof of worker's compensation insurance in accordance with the laws of the State of California
- Proof of commercial general liability insurance covering all operations of the contractor providing insurance for bodily injury and property damage with combined single limits of not less than \$1,000,000 for each occurrence and \$1,000,000 aggregate with homeowner added as an additional insured. All insurance certifications shall include a 30-day notice of cancellation
- All Risk builders risk insurance in an amount equal to the replacement cost of the home plus the amount of the contract, and the homeowner to be added as a Loss Payee.
- A Release of Lien (see Attachment 6 Release of Liens) from each party working for the contractor or supplying materials to the contractor on the contract prior to the Homeowner/Grantee providing payment to the contractor.

Step 4 – Sign Agreements with Sacramento County

Property owners who participate with Sacramento County in the Voluntary Floodplain Home Elevation Program are required to sign an agreement (Homeowner Grant Agreement) with the County that specifies the following:

- The respective roles and responsibilities of the property owner and the County
- The percentage of funding the homeowner is required to contribute
- The project items and activities that will be eligible for reimbursement

Since funds are provided by FEMA, the property owner **must** also agree to maintain a flood insurance policy on the property.

In addition, the use of HMGP funding also requires the homeowner to execute and record a *Non-conversion and Hold-harmless Agreement for Construction within Flood Hazard Areas*. This is required by HMGP and County Ordinance. Signing this document limits how the newly created foundation area must be maintained and how the use is limited to incidental storage.

Step 5 – Obtain Permits

A building permit is required before entering into the Homeowner Grant Agreement with the County.

Building Permits shall be obtained from the Building Permits and Inspection Department. For more information about Building or Grading Permits, contact the Building Permits and Inspection Department (916) 875-5296 or visit their website: <http://www.building.saccounty.net/Pages/default.aspx>

Step 6 – Oversee Construction

You will be required to oversee the construction project and work with a general contractor of your choosing. It is the property owner's responsibility to ensure that the contractor is completing the project in accordance with the permit, the grant agreement, the budget and the schedule. There is a hard deadline for close out of this grant.

County Floodplain Management staff will be available to assist property owners and contractors during construction by providing information regarding the County's flood prevention requirements for

construction within the floodplain and to facilitate discussions between property owners, contractors, and building officials as required to keep the project moving towards completion.

Living out – you will not be allowed to stay in your house while it is being elevated. The cost of living out is not an eligible cost.

Step 7 – Progress Payments for Work Completed

Costs that are eligible for reimbursement are specified in the agreement you sign with Sacramento County. Property owners are required to pay for all work up front and later obtain reimbursement from Sacramento County for eligible costs. In turn, Sacramento County will ask the California Office of Emergency Services to provide reimbursement through the FEMA grant.

The reimbursements for the project will be disbursed at intervals during construction, as detailed in the Homeowner Grant Agreement, *generally* according to the following schedule:

1st Project Cost – The first expenditure will be the property owners' local cost share. Owner must demonstrate to the County the cost and that the bills were paid.

2nd Project Payment– The first grant eligible payment (the first check from the County) occurs after the house is raised, foundation forms are in place and the Sacramento County Building Permits and Inspection division (BPI) has inspected and approved the work (approximately 40 to 50 percent).

3rd Project Payment– The next grant eligible payment occurs after all construction work is completed; BPI has performed final inspection and approved the work (approximately 40 to 50 percent).

4th Project Payment– The final grant eligible payment (10 percent) occurs after all paperwork is completed.

In the case where the County is contributing to the local match, the 3rd and 4th payment to the homeowner will consist of a combination of the County's local contribution and grant funds.

If the homeowner has contracted for additional construction, not covered under the grant, additional inspections will be necessary as required by BPI.

Reimbursements will be requested using the Reimbursement Request Form (Attachment 4).

Step 8 – Final Inspection and Project Closeout

The building inspector will inspect the construction and sign off the permit when complete, thus allowing you to reoccupy the residence.

Upon completion of your project, County staff (at no cost to you) will prepare a revised elevation certificate. Provide a copy of this official form to your insurance agent so that your flood insurance premiums may be re-rated at a lower cost.

SUMMARY

We are pleased to have the opportunity to assist homeowner's in the County reduce their risk of flooding through this program. If there is anything we can do to assist you during this process, please do not hesitate to call the County Water Resources or its consultant contacts listed on the front page of this document.

Forms and Exhibits (above referenced):

- Attachment A1 – Bid Form – Basic Bid Form and Grant Eligible Costs
- Attachment 2- Environmental and Historic Preservation
- Attachment 3a -Exhibit DOB - HMGP Duplication of Benefits Description
- Attachment 3b - Duplication of Benefits Worksheet
- Attachment 4 Reimbursement Request Form
- Attachment 5a - Bond and Insurance Requirements
- Attachment 5b- Faithful Performance Bond Form
- Attachment 6-Form REL - Release of Liens
- Attachment 7- Taxes
- Attachment 8 – Homeowner Agreement with Sacramento County of Sacramento
- Exhibit 1 – Prevailing Wage
- Exhibit 2 – Hold Harmless
- Exhibit 3 – Income Tax Payee Data Form

Attachment 1 Bid Form					
Please ask contractors to describe bids in the following format -					
House Elevation Project					
Address:					
Homeowners:					
Contractor:					
Please ask contractors to describe their bids in the following manner:					
	Design and Engineering	\$			
	Plan Review, Permit and Inspection Fees	\$			
	Bond and Insurance	\$			
	Mobilization	\$			
	Site Security and Portable Restroom				
	Prepare Interior of House	\$			
	Raise Attached Garage	\$			
	Cost to Lift the House	\$	first grant payment house is lifted (up to 50%)		
	Mobilization House Lifter				
	Disconnect Foundation and Utilities				
	Install Beams				
	Lift				
	Cribbing				
	Foundation Geotechnical Work	\$			
	Stem walls	\$			
	Lower House	\$			
	Demobilize House Lifter				
	Reconnect House to Foundation	\$			
	Seismic and Wind Restraints				
	Repair Walls and Siding				
	Coatings				
	Stairs and Landings	\$			
	Raise Mechanical				
	Hot water Tank				
	Air Conditioner				
	Flooring System (for existing slab on grade)	\$			
	Landscape Patching	\$			
	Remove/Replace Fixtures	\$	second grant payment (up to 40%)		
	Remove/Store Cabinets				
	Remove/Store Finished Plumbing				
	Floor Coverings				
	Reinstall Cabinets				
	Reinstall Finished Plumbing				
	Environmental/Historic Preservation	\$			
	ADA Ramp or Elevator	\$	final grant payment upon final occupancy (at least 10%)		
	(only if applicable to current residents)				
	Total Grant Eligible Project Cost	\$	-		
Costs by County Staff:					
	Elevation Certificate				
	Grant Administration				
Costs not included in grant funded program:					
	Additional height	\$			
	Moving house from original footprint	\$			
	Decking	\$			
	Raising Fireplace	\$			
	Patio	\$			
	Converting garage	\$			
	Repair deferred maintenance	\$			
	Addressing code violations & unpermitted	\$			
	Landscaping beyond basic repair	\$			
	Concrete/Decking Flatwork	\$			
	Exterior Wall Aesthetic Improvements	\$			
	Interior Aesthetic Improvements	\$			
	Total Extra Work not grant eligible	\$	-		
<p>The reason FEMA is offering this grant funding is to reduce flood risk; therefore, only costs directly associated with raising the house to the County's minimum floor elevation are allowed to be included in the grant funding calculation. Often, property owners desire to make repairs and perform remodeling activities for which they will pay the full cost. The County's consultant, will assist you in determining what costs are eligible under the grant program.</p>					

Attachment 2 Environmental and Historic Preservation

DRAFT

Date:

Owner:

Property:

It is understood that the grant terms will have certain environmental and historic preservation conditions that must be adhered to by the property owner and the contractors.

If a potential historic item or cultural resource is discovered during construction, the homeowner and contractor(s) must cease work in the area and take all reasonable measures to avoid or minimize harm to the discovered item or resource. Cultural features may include structural features or materials, bones, remains, shells, artifacts, or midden soils.

The following are conditions required for this project:

Inadvertent Discovery

- During construction the homeowner and contractor(s) shall monitor ground disturbance activity and contact **the Office of Planning and Environmental Review (916)874-6141** at the County if any questions or concerns arise.
- Should an archeological resource be discovered, work in that area must immediately cease within a 100 foot radius of the find, the owner must contact the County and the County must contact CA Office of Emergency Services and FEMA.
- FEMA will contact the CA State Historic Preservation Officer and participating Indian tribes. The government agencies and participating Indian tribe(s) will consult to evaluate the find and determine the proper action(s).
- Construction may continue only upon written notice from FEMA.

Worker's Education

- As the Owner of the Property, I watched the training video as have the key construction personnel for the project at the Property.

Signed: _____ date:_____

Signed: _____ date:_____

Attachment 3

DUPLICATION OF BENEFITS

The terms of the Hazard Mitigation Grant Program (HMGP) disallow duplicating federal benefits on a property. Duplication of Benefits (DOB) is the term used to describe when assistance from more than one source is used for the same purpose or activity. HMGP funds cannot be used where an individual's disaster recovery or disaster mitigation needs have been or will be met through other assistance.

The grantor (FEMA), the grantee (Cal-OES), and sub grantee (County) must avoid duplication of benefits between HMGP and any other form of assistance, as required by Section 312 of the Stafford Act, and further clarified in 44 CFR 206.191.

Examples of benefits that may not be used toward this HMGP house elevation project include -

Insurance (Homeowner and NFIP)

Report funds received from flood insurance and other insurance claims and account for how those funds were spent. Insurance claims should be closed prior to the start of the mitigation activities. In order to finalize insurance proceeds received, a letter should be provided stating that all claims are closed.

If the insurance proceeds are spent as intended for only repairs and replacement of personal property, then they are not deducted as DOB; however, if, as allowed by the insurance, some of the repair funds are used toward elevation mitigation activities, then the funding used for the elevation mitigation activities must be deducted as DOB.

Increased Cost of Compliance (ICC)

Increased Cost of Compliance (ICC) insurance coverage provides for a claim payment to pay qualifying owners' costs to elevate, demolish, relocate, or flood-proof (non-residential buildings only) after a flood. The maximum amount of Increased Cost of Compliance coverage available is \$30,000. Because these are also eligible HMGP costs, the homeowner cannot receive HMGP funds for the same costs. However, if the insurance claim does not pay the total mitigation cost, an HMGP grant can pay the remainder. The Increased Cost of Compliance insurance claim payment would then be counted toward cost-share.

Small Business Administration (SBA) Disaster Loans

SBA disaster loans can be allocated for both housing repairs and for mitigation. DOB should be reviewed as follows:

- **SBA Disaster Loans (Mitigation):** When SBA loan funds are received by a property owner to complete a mitigation activity, HMGP funds cannot duplicate the purpose covered by the loan, nor can they be used to in the form of a grant for loan "swap" or to pay down an SBA loan. SBA loan funds are considered to be received by the property owner when the direct loan agreement has been signed by all parties and can be verified by FEMA or through coordination with SBA.

- SBA Disaster Loans (Repairs): If the SBA loan funds are spent as intended for only repairs, then they are not deducted as DOB. If however, as allowed by SBA some of the repair funds are used toward elevation mitigation activities then the funding used for the elevation mitigation activities must be deducted as DOB.

FEMA Individuals and Households Program (IHP) Assistance

FEMA IHP assistance for repair or temporary housing are not treated as DOB unless the funds were used for mitigation activities, and or the homeowner claimed relocation expenses that were in fact covered by temporary housing assistance from IHP.

Private Non-Profit Sources

Individual donors, private foundations and voluntary agencies can provide disaster-related assistance, including temporary housing, home repairs or structural mitigation costs. The receipt of such assistance can generally be used to meet the non-Federal cost share, however depending on their intended purpose they may still be subject to DOB deduction if they cover temporary housing and cover the cost of mitigation activities.

Other

Other Federal, state and county disaster assistance programs can provide assistance for temporary housing, special needs or structural mitigation costs. The receipt of such assistance can generally be used to meet the non-Federal cost share, however, depending on their intended purpose they may still be subject to DOB deduction if they cover temporary housing costs during the mitigation activities or if they cover the cost of the actual mitigation activities.

The County's consultant is available to assist homeowners with DOB questions.

ATT 3b - HMGP Duplication of Benefits (DOB) Worksheet

Duplication of Benefits arises when assistance from more than one source of funding is received or available for the same purpose or activity. The specific purpose or activity may constitute all or a portion of a mitigation project. Specifically, FEMA Hazard Mitigation Assistance (HMA) funds cannot be used where an individual's disaster recovery or disaster mitigation needs have already been met or will be met through other available sources of assistance. The following worksheet identifies several of the most common sources of funds that may pose a Duplication of Benefit for elevation costs. Homeowners must disclose information about the actual receipt of financial assistance, and provide proof of payment, from these sources as they relate specifically to the elevation of the structure with Hazard Mitigation Grant Program (HMGP) funds.

Applicant Name:	HMG#:
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Property Address:

Source of Funding for Elevation Work	Amount Awarded (for Elevation)	Documentation	Verification of Award
a. Homeowner Insurance			
b. National Flood Insurance Program			
c. Increased Cost of Compliance (ICC)			
d. Small Business Administration (SBA) Loan <i>(expressly identified <u>and</u> received for elevation/mitigation purposes)</i>			
e. FEMA Individual Households Program (IHP) <i>(repair/temporary housing)</i>			
f. Private Non-Profit Sources			
g. Other			
h. Total Non-HMGP Amounts Received for Elevation Work <i>(sum a thru g)</i>	\$0		
i. Total Cost of Elevation <i>(total eligible costs per Itemized Reimbursement form)</i>			
j. Unmet Need for Elevation Work <i>Cost of Elevation (i) – Total Non-HMGP Amounts Received (h) Amount = Unmet Need</i>	\$0		
k. HMGP Award Amount <i>Unmet Need (j) or \$30,000, whichever is the lesser amount</i>			

Notes:

HOMEOWNER ATTESTATION: I certify that all of the above information is true and accurate to the best of my knowledge. Further, I understand that information regarding my property may be shared with and verified by custodians of property records such as other Federal or other governmental agencies, insurance companies, or any public or private entity for the purposes of ensuring that the property has not received money that is duplicative of any possible HMA grants received.

Homeowner:	Date:
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After DOB has been fully executed and all information has been verified:

Grant Administrator:	Date:
Monitoring and Compliance Administrator:	Date:

**HOMEOWNER AGREEMENT WITH SACRAMENTO COUNTY
FOR FEMA HAZARD MITIGATION GRANT FUNDING**

Reimbursement Request Form

Date: _____

Homeowner: _____

Homeowner phone/email: _____

Subject Property Address _____

Subject Property Assessor Number

Prime Contractor: _____ (for joint checks)

Contractor Phone Number

Permit Number: _____

To Subgrantee: Sacramento County Department of Water Resources

HMGP Grant Number: _____

Homeowner hereby requests grant fund reimbursement in the amount of
\$ _____

for this Phase I / Phase II / Phase III (circle one) installment as stipulated in the
Homeowner Agreement with Sacramento County.

The Homeowner hereby states that all required inspections have been completed by the
County. Homeowner certifies that all grant money received including these requested funds
are applied solely toward payment of eligible and authorized work under this program.

Homeowners has attached proper evidence describing that the phase of work has been
completed.

Signed Homeowner(s),

Return this form and evidence of project phase completion to:
Floodplain Manager, Sacramento County Dept. Water Resources
827 7th Street, Room 301, Sacramento, CA 95814

BONDING AND INSURANCE REQUIREMENTS

Homeowner shall meet the following minimum requirements in hiring the contractor to perform the elevation of Homeowner home.

1. Homeowner shall only hire a contractor licensed in accordance with the California State Licensing Law.
2. Homeowner shall require the contractor to provide proof of worker's compensation insurance in accordance with the laws of the State of California.
3. Homeowner shall require the contractor to provide a faithful performance bond in the form provided by the County.
4. Homeowner shall require the contractor to provide proof of commercial general liability insurance covering all operations of the contractor providing insurance for bodily injury and property damage with combined single limits of not less than \$1,000,000 for each occurrence and \$1,000,000 aggregate with homeowner added as an additional insured.
5. Homeowner shall require the contractor to provide All Risk builders risk insurance in an amount equal to the Replacement Cost of the home plus the amount of the contract. Homeowner to be added as a Loss Payee.
6. Homeowner is advised to require the contractor to provide a release of lien from each party working for the contractor or supplying materials to the contractor on the contract prior to the Homeowner providing payment to the contractor.

Note to Contractors: Along with your project bid, provide homeowner with Certificate of Insurance for each item above with 30-day notice of cancellation.

Faithful Performance Bond

SACRAMENTO COUNTY RESIDENCE ELEVATION PROGRAM HMGP Grant Program

Bond No. _____

Know All Men By These Presents:

THAT WHEREAS, _____
("Homeowner") has contracted with _____
_____ ("Contractor") for the elevation of Homeowner's
residential structure (the "Contract"), which contract and all of its terms and conditions are
incorporated into this Bond by reference, and

WHEREAS, the Contractor is required to furnish a bond in connection with the Contract
guaranteeing Contractor's faithful performance of all work,

NOW, THEREFORE, we the undersigned Contractor as principal and _____
_____, a _____, admitted
and duly authorized to transact business under the law of the State of California as surety
("Surety"), are held and firmly bound into Homeowner as obligee in the sum of _____
(which amount is not less than 100% of the Contract price) to be paid to the Homeowner or its
successor and assigns; and for which payment, will and truly to be made, we bind ourselves, our
heirs, executors and administrators, successors or assigns, jointly and severally, firmly by these
presents.

THE CONDITION of the obligation is such,

That if the Contractor, (or the Contractor's heirs, executors, administrators, successors or
assigns) shall in all respects abide by, and will and truly keep and perform all of these covenants,
conditions and agreements in the Contract (and any alteration made as provided in the Contract)
at the time and in the manner specified and in all respects according to their true intent and
meaning; and if the Contractor shall indemnify and save harmless the Homeowner, as stipulated
in the Contract, then this obligation shall become and be null and void; otherwise this obligation
shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Contract, the obligation of
the Contractor and Surety under this Bond shall remain in effect for a period of one (1) year after
the completion and acceptance of the work. During that time, if the Contractor (or the
Contractor's heirs, executors, administrators, successors or assigns) fail to make full, complete
and satisfactory repair and replacement or totally protect the Homeowner from any loss or
damage made evident during that year which results from or is caused by either defective
materials or faulty workmanship in the prosecution of the work, then the obligation shall remain

in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety shall continue so long as any obligation of the Contractor remains.

No payment or delay in payments, and no change, extension, addition or any provision of the Contract or in the specification agreed to between the Contractor and the Homeowner, or any forbearance on the part of the Homeowner shall operate to relieve the Surety. The Surety hereby waives the provisions of Section 2819 of the California Civil Code. The Surety waives all rights of subrogation against the Homeowner. If the Contract price increases by the issuance of change orders, the amount specified in this Bond shall increase by the same amount.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this _____ day
of _____, 20____.

SURETY

CONTRACTOR

Mailing Address For Notice:

By: _____

Title: _____

and

Telephone No. : _____

By: _____

By: _____

Title:

Attorney in Fact

DRAFT

Contractor's Final Release and Waiver of Lien

Property / Owner

Contractor

Project:

Company Name:

Address:

Address:

Contractor License No.

Owner Name:

Contract Date:

TO ALL WHOM IT MAY CONCERN:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Contractor hereby waives, discharges, and releases any and all liens, claims, and rights to liens against the above-mentioned project, and any and all other property owned by or the title to which is in the name of the above-referenced Owner and against any and all funds of the Owner appropriated or available for the construction of said project, and any and all warrants drawn upon or issued against any such funds or monies, which the undersigned Contractor may have or may hereafter acquire or possess as a result of the furnishing of labor, materials, and/or equipment, and the performance of Work by the Contractor on or in connection with said project, whether under and pursuant to the above-mentioned contract between the Contractor and the Owner pertaining to said project or otherwise, and which said liens, claims or rights of lien may arise and exist.

The undersigned further hereby acknowledges that the sum of

Dollars (\$)) constitutes the entire unpaid balance due the undersigned in connection with said project whether under said contract or otherwise and that the payment of said sum to Contractor will constitute payment in full and will fully satisfy any and all liens, claims, and demands which the Contractor may have or assert against the Owner in connection with said contract or project.

Witness to Signature:

Dated this ___ day of _____ 20__

Contractor

Print Name:

Title:

Attachment 7

House Elevation Program

The County of Sacramento launched a program to mitigate flood risk by elevating flood prone houses. The funding for this program comes from FEMA grant programs including Hazard Mitigation, Predisaster Mitigation, and Flood Mitigation Assistance. The County Stormwater Utility, and Beach Stone Lakes Flood Mitigation Funds of the Sacramento County Water Agency are used to some extent to assist the program.

- ➔ FEMA is the grantor
- ➔ CA Office of Emergency Services is the grantee
- ➔ The County of Sacramento is the subgrantee
- ➔ The Property Owner has an Agreement with the County for reimbursement of eligible costs to mitigate flood risk

The project is to raise houses so that the finished living area floor is safely above the flood hazard elevation on a flood resistant foundation. House elevation is the primary measure recommended by FEMA and California building standards to reduce the risk of flood damage.

Your house elevation project has a benefit to FEMA and to the community that is greater than the grant eligible cost. The basic project of raising the house does not increase the value of the house and will not change the property tax basis. Pursuant to the County Hazard Mitigation Plan, and the federal Robert T. Stafford Act, the County implemented a public outreach program to encourage home elevation.

The program is pursuant to the Hazard Mitigation Assistance Guidance, dated February 27, 2015 at www.fema.gov. The payments to the Property Owner are disaster mitigation payments, only.

Income Tax State and local governments are required to file information returns (Form 1099) for payments made to homeowners under § 6041 in the year(s) that the payment(s) is made if the payments are \$600 or more during any calendar year.

Please consult your own tax accountant or the California Franchise Tax Board, for more information, before entering into the funding agreement with the County of Sacramento and proceeding with your project.

Property Tax

→Please discuss your project with the County Office of the Assessor before entering into a funding agreement with the County and proceeding with your project.

The statement below is from the Real Property Division, Office of the Assessor, County of Sacramento:

The simple mitigation of flood risk should not increase valuation for property taxes; however,

1. If the new raised foundation (project) only raises the residence, and no new storage, garage or usable/living area is created, then the assessed value should not change.
2. If the project creates a ground level enclosed or partially enclosed (i.e. shed) building area below or adjacent to the residence, and it did not exist prior to the project, the assessed value will be increased for the contributing value of that new construction.
3. If the project creates additional living area or parking area (garage and/or carport) that did not exist prior to the project, the assessed value will be increased for the contributing value of that new construction.
4. There may be architectural nuances of your project that increase property tax valuation.
5. Ultimately, the determination as to whether or not the project will result in a change in assessed value will be on a case-by-case basis.

HOMEOWNER AGREEMENT WITH SACRAMENTO COUNTY FOR FEMA HAZARD MITIGATION GRANT FUNDING

Date: _____

Homeowner: _____

Homeowner phone/email: _____

Subject Property Address _____

Subject Property Assessor Parcel Number _____

Prime Contractor: _____ (for joint checks)

Contractor phone/email: _____

Permit Number: _____

Subgrantee: Sacramento County Department of Water Resources
827 7th Street, Room 301, Sacramento, CA 95814
Attn: Floodplain Manager
(916)874-6851

HMGP Grant Number: _____

FEMA is the grantor, California Office of Emergency Services is the grantee and Sacramento County is the subgrantee for house elevation projects. This Agreement is between the Homeowner and Sacramento County for progress reimbursement for the flood hazard mitigation project at the subject address herein described.

Homeowner understands and agrees to the following terms and conditions:

- The *Sacramento County Hazard Mitigation Grant Program Guide For Property Owners*, including each of its exhibits, is incorporated herein by reference.
- Homeowner has read and understands the *Sacramento County Hazard Mitigation Grant Program Guide For Property Owners* and will work through the County to resolve questions and concerns.
- Homeowner understands the Reimbursement and Inspection Schedule.
- Homeowner will request reimbursement via the Reimbursement Request Form.
- Homeowner understands that any changes to this Agreement constitute a new signed Agreement and no other form of evidence is allowed.
- Homeowner is responsible to ensure that these federal funds are used only for eligible flood hazard mitigation work as described herein. The costs for any ineligible work or activities are the responsibility of the Homeowner.
- Homeowner will provide to the Floodplain Manager copies of the contractor's contract, billing statements from contractor, and proof of payment (receipts or cancelled checks) to support each progress reimbursement request.
- Homeowner understands and will abide by prevailing wage laws (Exhibit 1).

- Homeowner will provide his/her notarized signature on the “Hold Harmless And Non-Conversion Agreement For Construction Within Flood Hazard Area,” which is attached hereto as Exhibit 2.
- Homeowner will fill out and sign the Payee Data Record attached hereto as Exhibit 3.

All elevation work will be completed within 12 months of _____(today's date). Sacramento County agrees to provide reimbursement funds in phases as described below. The reimbursements will be the actual amount evidenced by receipts included with each Reimbursement Request Form. The reimbursement schedule is as follows:

Phase 0 Homeowner contribution	\$ _____
(+ unresolved DOB amount)	\$(_____)
Adjusted Homeowner Cost Share Assistance	\$ _____
Phase I project reimbursement	\$ _____
Phase II project reimbursement	\$ _____
Phase III final reimbursement	\$ _____
TOTAL project reimbursement	\$ _____

Subject to the terms herein, I (we) the legal Homeowner(s) of Subject Property understand and hereby agree to the above -

 Print Name

 Signature

 Print Name

 Signature

The County Department of Water Resources hereby agrees to the above -

Authorized Agent _____ date: _____

Exhibit B1

DRAFT

Prevailing Wages

Pursuant to the provisions of Article 1 and 2 of Chapter 1, Part 7, Division II of the Labor Code of the State of California, not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for holidays and overtime work, for each craft classification or type of worker needed to execute the work contemplated under this Agreement shall be paid to all workers, laborers, and mechanics employed in the execution of said work by Owner's Contractor, or by any subcontractor doing or contracting to do any part of said work. The appropriate determination of the Director of the California Department of Industrial Relations is filed with and available for inspection at the office of the Clerk of the Governing Board.

Recorded at Request of
County of Sacramento

After recording, return to: mail code 01-301

Department of Water Resources
County of Sacramento
827 Seventh Street, Room 301
Sacramento, CA 95814
Attn: Floodplain Manager

**HOLD HARMLESS AND NON-CONVERSION AGREEMENT
FOR CONSTRUCTION WITHIN FLOOD HAZARD AREAS**

This Agreement is made and entered into this ____ day of _____, 20____, between the County of Sacramento, a political subdivision of the State of California ("County") and _____ ("Owner").

WHEREAS, Owner is the recorded owner or owners of the real property and existing residence located at _____ (APN: _____), more particularly described as set forth in Exhibit "A", attached hereto and incorporated herein by reference ("Subject Property"); and

WHEREAS, the Subject Property is located in a special flood hazard area or local flood hazard area, as defined in the Sacramento County Floodplain Management Ordinance, Zoning Ordinance No. SCZ-2016-0023; and

WHEREAS, Owner desires to undertake construction altering the existing residence on the Subject Property by elevating it such that the lowest finished floor elevation is be at or above the "Flood Protection Elevation," a minimum of 18 inches above the base flood elevation per the Sacramento County Floodplain Management Ordinance and creating an enclosed area below the minimum floor elevation; and

WHEREAS, County and the California Building Code have established standards for construction in flood hazard areas to minimize public and private losses and damages due to flooding; and

WHEREAS, County is the sub-grantee, California Office of Emergency Services is the grantee, and the Federal Emergency Management Agency (FEMA) is the grantor for the Hazard Mitigation Grant Program, HMGP _____ (number) _____ (HMGP); and

WHEREAS, Owner desires, by entering an Agreement, to be reimbursed by the HMGP for a portion of the costs of elevation of the existing residence on the Subject Property; and

WHEREAS, Owner is contingently eligible for reimbursement for the costs of elevation of the Subject Property; and

WHEREAS, Owner will maintain the foundation vents to ensure functionality for the life of the structure; and

WHEREAS, it is the intention of County and Owner that this Agreement be recorded against the land described in Exhibit "A".

NOW, THEREFORE, in consideration of the mutual promises contained herein, County and Owner agree as follow:

Section 1. If Owner meets the conditions contained in this Agreement the building permit, and adheres to the program guidelines outlined in the HMGP Grant Home Elevation Handbook dated October 2015, Owner shall be eligible for the grant funded amount indicated in the Homeowner Grant Agreement (separate instrument).

Section 2. Owner, its heirs, assigns, and successors in interest understand, acknowledge and assume the risk that the elevation of the existing residence and the construction of an enclosed area below the minimum floor elevation, before, during, or after completion, may expose the Subject Property and persons thereon to property damage and personal injury caused by flooding. Owner, its heirs, assigns or successors in interest further understands, acknowledges and assumes the risk that notwithstanding the elevation of the existing residence, the structure may still be subject to a risk of flooding and those persons on or around the subject property may still be subject to personal injury caused by flooding.

Section 3. Owner, its heirs, assigns, and successors in interest shall unconditionally waive any claim of liability on the part of the County, the Sacramento County Water Agency, their respective Boards, officers, agents and employees for any flood-related property damage or personal injury arising out of, or in any way related to, the County's administration of the HMGP grant funding dispersed to the Owner in connection with the Owner's elevation of the existing residence on the Subject Property and the construction of an enclosed area below the minimum floor elevation.

Section 4. To the fullest extent permitted by law, owner, its heirs, assigns and successors in interest shall indemnify, defend and hold harmless County, the Sacramento County Water Agency, their respective governing Boards, officers, directors, officials, employees and authorized agents and volunteers from and against any and all claims, demands, actions, costs, expenses, damages, reasonable attorney's fees and liabilities that arise out of, pertain to, relate to or are alleged to arise out of, the County's administration of the HMGP grant funding dispersed to the Owner in connection with the Owner's elevation of the existing residence on the Subject Property and the construction of an enclosed area below the minimum floor elevation.

Section 5. The enclosed areas below the 100-year base flood elevation, if applicable, shall be used solely for parking vehicles, limited storage, or access to the building and will never be used for human habitation without first becoming fully compliant with the County Floodplain Management Ordinance in effect at the time of conversion.

Section 6. The exterior walls, interior walls, ceilings, and floors below the Flood Protection Elevation shall be constructed of flood resistant materials as listed in FEMA Technical Bulletin 2, dated 2008, Flood Damage-Resistant Materials Requirements. Exterior finish below the Flood Protection Level must meet the standards set forth in Technical Bulletin 2 and the Building Code.

Section 7. Owner or its representative shall not install any mechanical, electrical or plumbing devices below the Flood Protection Elevation, per Section 906-04(F) of the Floodplain Management Ordinance.

Section 8. The walls of the enclosed area below the Flood Protection Elevation shall be equipped with proper venting to equalize hydrostatic forces, per Section 906-05(F) of the Floodplain Management Ordinance and the Owner and all future residents shall ensure functionality by keeping those vents clear and clean for the life of the structure.

Section 9. The conditions contained in this Agreement shall be recorded on the deed to the property or on a Declaration of Land Restriction, and shall run with and bind on the land to the heirs, assigns or successors of the Owner.

Section 10. Any variation in construction beyond what is permitted shall constitute a violation of this Agreement and shall be abatable as such.

Section 11. If any provision of this Agreement is held by a court of competent jurisdiction to be void or unenforceable, the remaining provisions shall not be affected and shall remain in full force and effect.

Section 12. If any legal action is brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing party.

Section 13. This instrument and Exhibit A constitute the entire agreement between the parties concerning the subject matter hereof. Modifications or amendments shall be in writing and executed by all parties.

Section 14. Any notice or other communication to be given to any party pursuant to this Agreement shall be given by delivering same in writing to the parties at the addresses set forth below:

County: Department of Water Resources
County of Sacramento
827 Seventh Street, Room 301

Sacramento, CA 95814
Attention: Floodplain Manager

Owner: name
 Address

Such notice shall be deemed given when deposited into the United States mail, postage prepaid, addressed to the parties at the addresses above. Nothing shall preclude the giving of personal notice.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.

COUNTY OF SACRAMENTO, a political
subdivision of the State of California
("County")

By _____
Michael L. Peterson, Director
Department of Water Resources

OWNER(S)

Signature of Owner(s) must be notarized

Deputy County Counsel
approved as to form

EXHIBIT 'A'

The Property

Address:

Assessor Parcel Number:

Lat/Long:

[Describe the Subject Structure including elevation, minimum floor elevation, base flood elevation, County flood hazard elevation]

County of Sacramento

County of Sacramento
Payee Data Record
(REV Apr 2017)

PURPOSE OF FORM

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you for real estate transaction.

ARE YOU A RESIDENT OR A NONRESIDENT?

Each corporation, individual/sole proprietor, partnership, estate or trust doing business with the County of Sacramento must indicate their residency status along with their taxpayer identification number.

A nonresident payee can use Franchise Tax Board Form 587 to allocate California source payments and determine if withholding is required. This form must be certified and is valid for the duration of the contract provided there is no material change in the facts. By signing Form 587, the payee agrees to promptly notify the withholding agent of any changes in facts.

If appropriate, attach a completed Franchise Tax Board Form 587 to this form.

A **corporation** will be considered a "resident" if it has a permanent place of business in California. The corporation has a permanent place of business in California if it is organized and existing under the laws of this state or, if a foreign corporation has qualified to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in this state only if it maintains a permanent office in this state that is permanently staffed by its employees.

For **individual/sole proprietorship**, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose an any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose which will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.

For withholding purposes, a **partnership** is considered a resident partnership if it has a permanent place of business in California. An estate is considered a California estate, if the decedent was a California resident at the time of death and a trust is considered a California trust if at least one trustee is a California resident.

More information on residency status can be obtained by calling the Franchise Tax Board at the numbers listed below:

From within the Unites States, call.....1-800-852-5711
From outside the United States, call.....1-916-845-6500
For hearing impaired with TDD, call.....1-800-822-6268

EXEMPTIONS

If you are exempt from backup withholding and/or FATCA reporting, enter in the Exemption box, any code(s) that may apply to you. See Exempt payee code and Exemption from FATCA reporting code on page 3 of IRS Form W-9 (Rev. 8-2013) for the codes.

ARE YOU SUBJECT TO NONRESIDENT WITHHOLDING?

Payments made to nonresident payees, including corporations, individuals, partnerships, estates, and trusts, are subject to withholding. Nonresident payees performing services in California or receiving rent, lease or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for state income taxes. However, no withholding is required if total payments to the payee are \$1500 or less for the calendar year.

A nonresident payee may request that income taxes be withheld at a lower rate or waived by sending a completed form FRB 588 to the address below. A waiver will generally be granted when a payee has a history of filing California returns and making timely estimated payments. If the payee activity is carried on outside of California or partially outside of California, a waiver or reduced withholding rate may be granted. For more information, contact:

State of California
Franchise Tax Board
Nonresident Withholding Section
Attention: State Agency Withholding Coordinator
P.O. Box 651 Sacramento, CA 95812-0651
Telephone: (916) 845-4900
FAX: (916) 845-4831

WEB SITE: www.ftb.ca.gov

If a reduced rate of withholding or waiver has been authorized by the Franchise Tax board, attach a copy to this form.

ePAYABLE CONTRACT INFORMATION

The County offers electronic payments through ePayables. The benefits to your company include: saving time and money-reduces labor, hassle, expenses and risk associated with checks; enhancing cash flow-expedites the receipt of payments by eliminating mail and paper check float; requires no change to invoice procedures; and electronic payments are more secure and conserves the environment by eliminating printing and mailing paper checks. When you enroll in this payment option, we need a contact name, phone number and email address. It is best to provide a group email address, in case there is a change in your staff. This payment process allows electronic remittance advice to be sent to your group email address detailing invoices that are approved for payment along with dollar amount. If you are interested in participating in this program, please email to ePayables@saccounty.net and include: company name, contact person, email address and phone number.

PRIVACY STATEMENT

Section 7(b) of the Privacy Act of 1974 (Public Law 93-5791) requires that any federal, state, or local governmental agency which requests an individual to disclose his social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.

The County of Sacramento requires that all parties entering into business transactions that may lead to payment(s) from the County must provide their valid Taxpayer Identification Number (TIN) as required by the State Revenue and Taxation Code, Section 18646 to facilitate tax compliance enforcement activities and to facilitate the preparation of Form 1099 and other information returns as required by the Internal Revenue Code, Section 6109(a). The TIN for an individual and a sole proprietorship is the Social Security Number (SSN). The Internal Revenue Service (IRS) considers a TIN as incorrect if either the name or the number shown on an account does not match a name and number combination in their files or the files of the Social Security Administration (SSA). Section 3406 of the Internal Revenue Code requires that we withhold 28% in tax, called backup withholding, if the correct Payee name/TIN combination is not provided.

It is mandatory to furnish the information required. Federal law requires that payments for which the requested information is not provided be subject to a 28% withholding and state law imposes noncompliance penalties of up to \$20,000.

700 H Street, Room 3650 • Sacramento, CA 95814 • Phone (916) 874-7411 • Fax (916) 874-6182 • email: W9@saccounty.net