

CRMP

California Residential Mitigation Program A Joint Powers Authority

Date of Notice: Friday, February 26, 2021

PUBLIC NOTICE

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

NOTICE IS HEREBY GIVEN that the Governing Board of the **California Residential Mitigation Program (CRMP)** will **conduct a remote teleconference meeting** on Tuesday, March 9, 2021 at 1:00 pm PST. There will be no physical meeting location. The Bagley-Keene Open Meeting Act applies generally to meetings of the Governing Board, and this meeting is open to the public—public participation, comments, and questions will be welcome for each agenda item. All items are appropriate for action if the Governing Board wishes to take action. Agenda items may be taken out of order.

Pursuant to the Executive Order N-29-20, issued March 17, 2020, certain provisions of the Bagley-Keene Open Meeting Act are suspended or waived during the declared State of Emergency in response to the COVID-19 pandemic. Consistent with that Executive Order, and in compliance with guidance from the California Department of Public Health, to promote social distancing and combat the spread of COVID-19, this meeting will be conducted by teleconferencing only. None of the locations from which Governing Board members will participate will be open to the public. All members of the public shall have the right to observe and participate in this meeting and offer comment at this public meeting as described in this Notice.

DATE: Tuesday, March 9, 2021

TIME: 1:00pm

TELECONFERENCE ACCESS: *

Dial-in-Number: [+1 323-886-4439](tel:+13238864439) United States, Los Angeles (Toll)
Enter Conference ID Number: 790 397 389#

Public Participation: The telephone lines of members of the public who dial into the meeting to observe and comment will initially be muted to prevent background noise from disrupting the meeting. Public phone lines will be unmuted during all portions of the meeting that are appropriate for public comment, to allow members of the public to comment. Please see additional instructions below regarding Public Participation Procedures.

*CRMP is not responsible for unforeseen technical difficulties that may occur with respect to the platform's audio feed of this meeting.

PUBLIC PARTICIPATION PROCEDURES: All members of the public shall have the right to observe the meeting and offer comment during this meeting as outlined below. The acting Chair of the Governing Board will indicate when a portion of the meeting is to be opened for public comment. As indicated below, please register in order to provide comment. When it is your turn to comment, unmute your line, introduce yourself and proceed with your comment. The Chair of the meeting reserves the right to limit the time for comment. Members of the public should be prepared to complete their comments within approximately 3 minutes, but more or less time may be allotted by the Chair.

- **If you wish to provide a public comment, please register with Jacqueline Ball at 916-661-5607 or via email at jball@calquake.com at least one hour prior to the start of the meeting to ensure your participation.**
 - Any submitted email requesting to speak during public comment should include reference in the subject line of the email referencing this meeting, and the body of the email should specify if the comment is or is not regarding a specific agenda item.

ACCESSIBILITY ACCOMMODATIONS: Persons who need assistance in order to participate in this meeting should, prior to the meeting, contact Jacqueline Ball at 916-661-5607 or via email at jball@calquake.com. We would appreciate hearing from you at least five (5) days before the meeting date to best allow us to meet your needs.

AGENDA:

1. Call to order and member roll call:

Alex Pal, Chief Legal Counsel, Cal OES
Christina Curry – Vice Chair, Deputy Director, California Office of Emergency Services
Jim Lombard, CEA Appointee, CRMP Governing Board
Laurie Johnson, CEA Appointee, CRMP Governing Board

Establishment of a quorum

2. Consideration and acceptance of appointment letter designating Jim Lombard, CEA Chief Administrative Officer and Laurie Johnson, CEA Chief Catastrophe Response & Resiliency Officer as members of the CRMP Governing Board.
3. Nomination and vote to determine new Chair, CRMP Governing Board and nomination and vote to determine new Vice Chair, CRMP Governing Board.
4. Consideration and approval of the minutes of the December 8, 2020 Governing Board meeting.
5. CRMP Executive Director Janiele Maffei will present her executive report.
6. CRMP Treasurer Benjamin Kirwan will review the CRMP financial statements as of December 31, 2020.
7. CRMP Managing Director Annde Ewertzen will present the CRMP Mitigation (Earthquake Brace + Bolt) update.
8. CRMP Managing Director Annde Ewertzen will present to the governing board update of the CRMP Business Plan, for approval.

9. CRMP Managing Director Annde Ewertson will present to the governing board the proposed 2021 CRMP Governing Board meeting schedule, for approval.
10. Public comment on items that do not appear on this agenda and public requests that
11. Adjournment.

Inquiries/General Information:

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

To view this notice on the CRMP website, please visit www.quakeretrofits.com

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

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

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

CRMP Governing Board Memorandum

March 9, 2021

Agenda Item 2: Consideration and Acceptance of Notice of Appointment

Recommended Action: Acceptance of Notice of Appointment for Board Membership

Background:

Per the Joint Exercise of Powers Agreement, dated April 11, 2019, "... between CALIFORNIA EARTHQUAKE AUTHORITY, a public instrumentality of the State of California ("CEA") and CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES, an agency of the State of California ("CalOES"), the CRMP is administered by a governing board (the "Board") consisting of two members selected by the CEA and two members selected by CalOES. The term of office of any member of the Board shall continue for two years."

Vice Chair, Christina Curry, shall present to the Board the following:

1. Notice of CEA appointment of Jim Lombard, CEA Chief Administrative Officer and Laurie Johnson, CEA Chief Catastrophe Response & Resiliency Officer as members of the CRMP Governing Board.

The above individuals are presented to the Board for consideration and acceptance as appointed members to the CRMP Governing Board.

Recommendation

Accept individuals presented in notice of appointments as members of the CRMP Governing Board.




February 24, 2021

Janiele Maffei, Executive Director, CRMP Governing Board
Tom Welsh, Secretary, CRMP Governing Board

To the California Residential Mitigation Program:

This will confirm that Jim Lombard and Laurie Johnson has been designated by the undersigned to serve as CRMP Governing Board member at meetings of the governing board of the California Residential Mitigation Program beginning on March 9, 2021. This designation is effective until March 9, 2023, unless it is revoked by another letter to you.

California Earthquake Authority

By 
Glenn Pomeroy (Feb 24, 2021 12:41 PST)

Glenn Pomeroy, Chief Executive Officer
California Earthquake Authority

CRMP Governing Board Memorandum

March 9, 2021

Agenda Item 3: Nomination and vote
 Chair and Vice Chair, CRMP Governing Board

Recommended Action: Nominate and vote for Chair and Vice Chair
 CRMP Governing Board

Background:

Governing Board will nominate and select through voting process the Chair and Vice-Chair, CRMP Governing Board.

Recommendation:

Nominate and select Chair and Vice-Chair, CRMP Governing Board.



Draft Meeting Minutes
are not available.

Please see CRMP Governing
Board Meeting
Approved Minutes.

CRMP Governing Board Memorandum

March 9, 2021

Agenda Item 5: Executive Report by Executive Director Janiele Maffei

Recommended Action: No Action Necessary

Background:

Executive Director Janiele Maffei will provide an update on the CRMP and CEA mitigation interests and projects.

Recommendation:

No action necessary.

Governing Board Memorandum

March 9, 2021

Agenda Item 6: Treasurer's Financial Update

Recommended Action: No Action Necessary

Background:

CRMP Treasurer, Ben Kirwan, will review the CRMP financial statements as of December 31, 2020.

Recommendation:

No action is necessary.

California Residential Mitigation Program
(CRMP)

FINANCIAL
REPORT

BOARD MEETING
Tuesday, March 9, 2021

**California Residential Mitigation Program
Balance Sheet
As of December 31, 2020**

Assets

Cash and cash equivalents	\$ 3,002,536
Accounts receivable	3,241,338
Prepaid expenses	<u>5,770</u>
Total assets	<u><u>6,249,644</u></u>

Liabilities and Fund Balance

Liabilities:

Accounts payable and accrued expenses	<u>129,416</u>
Total liabilities	<u>129,416</u>

Fund Balance:

Unassigned	<u>6,120,228</u>
Total fund balance	<u>6,120,228</u>
Total liabilities and fund balance	<u><u>\$ 6,249,644</u></u>

Unaudited

**California Residential Mitigation Program
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2020**

Revenues:	
Contributions from members	\$ 4,000,000
Contributions from other governments	11,704,307
	11,704,307
Total revenues	15,704,307
Expenditures:	
Administration and office expenses	2,394
Audit services	34,900
Board services	1,311
Grants to homeowners	11,988,285
Inspection services	164,800
Insurance	27,033
IT administrative support	20,926
Legal services	42,242
Marketing services	428,026
Program education	45,266
Program support	4,928
Travel	1,042
	1,042
Total expenditures	12,761,153
Net change in fund balance	2,943,154
Fund balance, beginning of year	3,177,074
Fund balance, end of year	\$ 6,120,228

Unaudited

**California Residential Mitigation Program
Budgeted Expenditures and Actual Expenditures
2020 Budget Year
as of December 31, 2020**

	Approved 2020 Budget 1/1/2020	Adjustments ^A	Augmentations ^B	2020 Budget after Augmentations and Adjustments	Actual Revenues and Expenditures	Augmented & Adjusted Approved Budget vs. Actual	Percentage used of Augmented & Adjusted 2020 Budget
Revenue							
Contribution from Members ¹	\$ -	\$ -	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ -	100.00%
FEMA - 4308 ²	-	-	2,492,841	2,492,841	2,492,841	-	100.00%
FEMA - 4344 ²	-	-	9,211,466	9,211,466	9,211,466	-	100.00%
Total Revenue	\$ -	\$ -	\$ 15,704,307	\$ 15,704,307	\$ 15,704,307	\$ -	100.00%
CRMP Administration Expenses							
Travel	\$ 17,000	\$ -	\$ (15,000)	\$ 2,000	\$ 1,042	\$ 958	52.10%
Professional Dues and Memberships	800	-	-	800	-	800	0.00%
Board Services	1,700	-	-	1,700	1,311	389	77.12%
Administration & Office	15,000	-	-	15,000	2,394	12,606	15.96%
Insurance	30,000	-	-	30,000	27,033	2,967	90.11%
Financial Audit	34,900	-	-	34,900	34,900	-	100.00%
Legal Services	100,000	(50,000)	-	50,000	42,242	7,758	84.48%
Total Administration Expenses	199,400	(50,000)	(15,000)	134,400	108,922	25,478	81.04%
EBB Program Expenses							
Software/Information Technology	34,900	-	-	34,900	20,926	13,974	59.96%
Call Center	6,000	-	-	6,000	4,928	1,072	82.13%
Home Inspection Services	190,000	-	-	190,000	164,800	25,200	86.74%
EBB Marketing / Program Education	475,000	50,000	-	525,000	473,292	51,708	90.15%
Grants to Homeowners - EBB	270,000	-	-	270,000	283,978	(13,978)	105.18%
Grants to Homeowners - FEMA 4308	1,950,000	164,941	-	2,114,941	2,492,841	(377,900)	117.87%
Grants to Homeowners - FEMA 4344	19,800,000	(164,941)	(8,635,059)	11,000,000	9,211,466	1,788,534	83.74%
Total EBB Program Expenses	22,725,900	50,000	(8,635,059)	14,140,841	12,652,231	1,488,610	89.47%
Total Administrative and Program Expenses	\$ 22,925,300	\$ -	\$ (8,650,059)	\$ 14,275,241	\$ 12,761,153	\$ 1,514,088	89.39%

¹ California Earthquake Authority board approved max funding of \$4,000,000 for 2020 at the CEA board meeting on December 11, 2019.

² FEMA 4308 and 4344 are reimbursement based, so revenue is adjusted monthly to match incentive payments paid.

^A Adjustments between categories to meet end of year projection estimates.

^B Augmentations to CRMP budget to meet end of year projection estimates.

CRMP Governing Board Memorandum

March 9, 2021

Agenda Item 7: California Residential Mitigation Program incentive program
(CRMP Earthquake Brace + Bolt)

Recommended Actions: No action required—information only

CRMP Earthquake Brace + Bolt Programs

Within the next few weeks, more than 14,000 retrofits will have been completed.

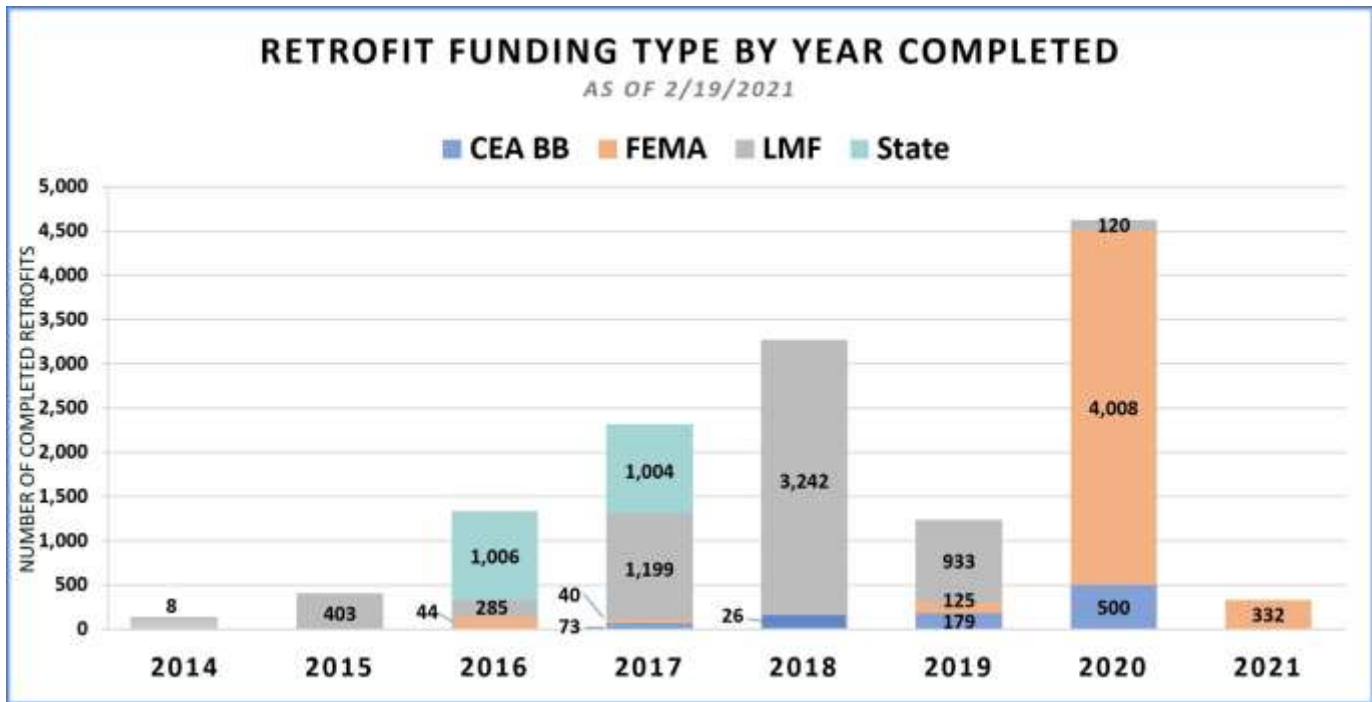
The CRMP-funded program, with 1,000 grants available, has 575 retrofits completed, 21 in-progress and no extensions. This program will remain open while there are FEMA-funded programs available to allow applicants who started work prior to approval an opportunity to receive a grant.

All permits (1,333) in the initial HMGP DR-4308 grant have been filled and approved by FEMA: 1,191 retrofits completed, 142 in-progress and no extensions.

The HMGP DR-4344 program (registrations completed in 2019 and 2020), with 6,667 grants available, has 3,353 retrofits completed, 3,314 in-progress, which includes 1,162 extensions and 1,331 in accepted status. The program is available in 355 ZIP Codes.

Earthquake Brace + Bolt Program 2/24/21 CRMP and CEA			
Program	Completed	In Progress	Status
2014-2018 EBB	7,635	N/A	Closed
FEMA Napa EBB	84	N/A	Closed
CRMP 2019 EBB	575	21	Open
FEMA – funded HMGP DR 4308 & 4344	4,544	3,456	Open
CEA BB	787	162	Open
Total	13,625	3,639	N/A

Funding for retrofits have come from CEA for the CEA Brace + Bolt (CEA BB) Program for policyholders; and FEMA, the Loss Mitigation Fund and the State for the retrofits completed in the Earthquake Brace + Bolt Program (EBB).



EBB staff continue to be busy working from home and January was representative of the efforts from staff.

- 1,871 Incoming Calls (Average of 100 per day)
- 1,341 Outbound Calls to Program Participants
- 708 Emails Answered
- 177 Applications sent to FEMA
- 290 Retrofits Completed

In addition to the large volume of phone calls, emails and applications processed, staff worked with CEA IT to roll out a new consumer-facing website, backend database and phone system.

Future Funding Opportunities

CRMP continues to look beyond present funding sources—the primary source has been the CEA Earthquake Loss Mitigation Fund—for additional funding sources, including available FEMA *Hazard Mitigation Grant Program (HMGP)* and *Building Resilient Infrastructure and Communities (BRIC)* grants.

Current HMGP and BRIC applications include requests for \$185M in funding:

Cal OES/FEMA Grant Funding Applications			
Grant Program	Funding Request	Program Type	Status
HMGP DR 4308	\$4M	EBB	Approved
HMGP DR 4344	\$20M	EBB	Approved
HMGP DR 4407	\$5M	EBB	FEMA review
HMGP DR 4407	\$5M	ESS	Submitted to Cal OES
HMGP DR 4431	\$3M	EBB	Waitlisted
HMGP DR 4434	\$3M	EBB	Waitlisted
BRIC	\$25M	ESS	FEMA review
BRIC	\$30M	Multi-family	FEMA review

HMGP DR 4558	\$20M	EBB	Application to be submitted by 3/5/21
HMGP DR 4569	\$50M	ESS	Application to be submitted by 5/1/21
HMGP DR 4569	\$20M	EBB	Application to be submitted by 5/1/21

Supplemental Grant Program Development

CEA is developing a pilot program that will provide supplementary grants to low-income homeowners in ZIP Codes where the EBB program is available. This program will, at a minimum, meet the requirements of AB 548 (Rodriguez, 2019), which requires outreach to low-income households and if a program is state-funded to set aside at least 10% of funds available to provide supplemental grants to low-income homeowners.

EBB Program Contractors

Of the contractors on the EBB Directory (Directory), 373 have completed at least one retrofit – an increase of 13 contractors since the last report. As contractors withdraw from the Directory, licenses are not renewed, or a contractor has not completed the training will cause there to be a discrepancy between registered contractors and contractors on the Directory.

Contractors in EBB Directory- Range of Retrofits Paid (as of 2/25/2021 COB)										
Paid Retrofits	0	1	2-5	6-10	11-20	21-49	50-99	100-399	400+	Total
12,665	760	117	107	46	32	28	14	21	8	1,133

Contractors with 1 or more paid retrofits:	373
Average Retrofits/Contractor:	34

EBB Northern and Southern Regional Differences

Retrofits in Northern California have decreased slightly since the last report from \$6,882 to \$6,735 but remain more expensive than Southern California with an average cost that has increased slightly from \$4,500 to \$4,679 in the 2020 program. Costs in 2020 continue to be lower than in recent years but remain relatively insignificant in Southern California. Costs in Northern California have been on a steady decline since 2016. The overall average cost has increased by \$21 since the last report.

Northern CA Retrofits (as of 01/31/2021 COB)					
Program Year:	2016	2017	2018	2019	2020
Total # of Retrofits:	585	828	1,172	1,597	505
Average Cost:	\$9,167	\$8,899	\$8,475	\$7,529	\$6,735
Median Cost:	\$7,500	\$7,361	\$6,661	\$6,254	\$6,083
Min Cost:	\$928	\$1,143	\$955	\$646	\$716
Max Cost:	\$75,465	\$54,362	\$63,430	\$48,053	\$45,223

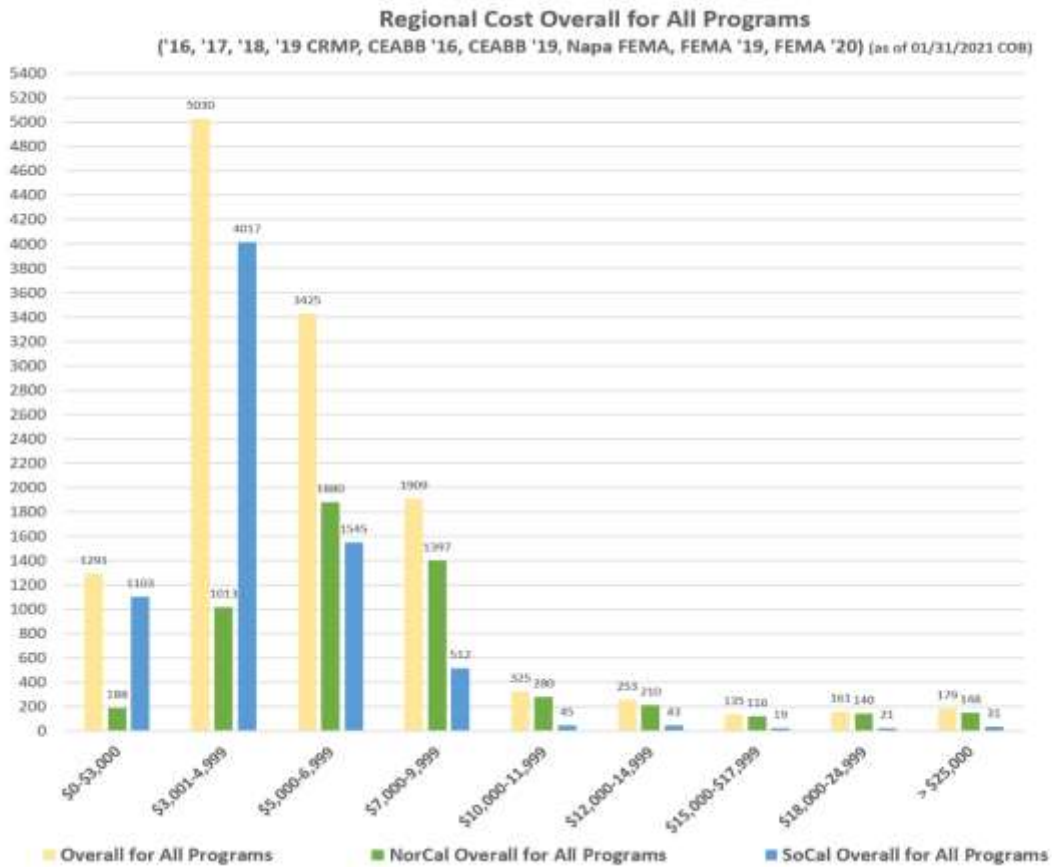
*only includes EBB 2016, EBB 2017, EBB 2018, EBB 2019 (CRMP, FEMA 4308 & 4344), FEMA 2020

Southern CA Retrofits (as of 01/31/2021 COB)					
Program Year:	2016	2017	2018	2019	2020
Total # of Retrofits:	970	1,357	2,177	1,718	939
Average Cost:	\$4,597	\$4,726	\$4,936	\$4,790	\$4,679
Median Cost:	\$3,950	\$3,934	\$4,160	\$4,200	\$4,130
Min Cost:	\$562	\$1,197	\$877	\$724	\$1,119
Max Cost:	\$46,664	\$45,390	\$54,096	\$61,684	\$39,900

*only includes EBB 2016, EBB 2017, EBB 2018, EBB 2019 (CRMP, FEMA 4308 & 4344), FEMA 2020

All Program Overall Retrofits (as of 01/31/2021 COB)	
Program Year:	'16, '17, '18, '19 CRMP, CEABB '16, CEABB '19, Napa FEMA, FEMA '19, FEMA '20
Total # of Retrofits:	12708
Average Cost:	\$6,165
Median Cost:	\$5,000
Min Cost:	\$562
Max Cost:	\$93,541

For all retrofits completed, 10% cost less than \$3,001. Of the completed retrofits 3% were under \$3,001 in Northern California and 15% are in Southern California. A total of 50% of the completed retrofits cost less than \$5,000. A further breakdown of this data shows 22% of completed retrofits in Northern California and 70% in Southern California fell in this category. More than 77% of all retrofits cost less than \$7,000 and 92% cost less than \$10,000.



Engineered and Non-Engineered Retrofits

Engineered retrofits continue to be substantially more costly than non-engineered retrofits. For the 2019 programs, as expected, engineered costs have now normalized and are no longer lower than previous years. With 73 engineered retrofits completed in the 2020 program, the average cost is lower than in previous years, but the data is expected to normalize as additional retrofits are completed.

2017-2020 Retrofits by Type (as of 01/31/2021 COB)								
Type of Retrofit	Engineered '17	Non-Engineered '17	Engineered '18	Non-Engineered '18	Engineered '19	Non-Engineered '19	Engineered '20	Non-Engineered '20
Total # of Retrofits:	227	1,958	312	3,037	251	3,064	73	1,371
Average Cost:	\$15,335	\$5,263	\$15,187	\$5,249	\$14,314	\$5,438	\$9,708	\$5,169
Median Cost:	\$13,541	\$4,500	\$12,070	\$4,510	\$10,152	\$5,066	\$7,193	\$4,800
Min Cost:	\$2,661	\$1,143	\$1,673	\$877	\$1,540	\$646	\$3,000	\$716
Max Cost:	\$54,362	\$40,200	\$63,430	\$60,844	\$61,684	\$18,853	\$45,223	\$39,900

Withdrawn Applications and Completion Rates

During each program cycle, a significant number of applicants withdraw from the programs. The percentage of withdrawn homeowners for the 2019 programs, continues the expected trend and is lower in Southern California. The completion rate for the 2018 EBB program has been the highest for all program years, at 45%; the rate for the 2019 and 2020 program will not be calculated until the programs close. EBB is unsure what to expect for the 2019 and 2020 FEMA-funded completion rates given the delay in accepting homeowners into the 2019 program and the current economic impact of COVID-19, but as additional retrofits are completed it appears the completion rate may be substantially impacted.

Withdrawn Homeowners (as of 12/31/2020 COB)																		
Program	2020 FEMA 4344		2019 FEMA (4308 & 4344)		2019 CRMP		Bay and LA 2018		Bay and LA 2017		Bay and LA & Napa '16		Bay and LA, 1st Qtr & Napa 2015		Pilot 2013		Total	
Southern California	2,011	48%	1,888	38%	125	34%	2,191	52%	1,435	40%	1,110	39%	552	38%	52	38%	9,364	43%
Northern California	2,181	52%	3,058	62%	242	66%	1,989	48%	2,153	60%	1,772	61%	886	62%	86	62%	12,367	57%
Total	4,192	100%	4,946	100%	367	100%	4,180	100%	3,588	100%	2,882	100%	1,438	100%	138	100%	21,731	100%

Other Items of Interest

EBB has been working on upgrading database functionality, the EBB program website and user experience for more than a year. The new system was expected to rollout in mid-July 2020, but due to outstanding programming issues, it rolled-out in early January 2021.

CRMP Governing Board Memorandum

March 9, 2021

Agenda Item 8: CRMP business plan

Recommended Action: Review and approve business plan

Background:

CRMP Managing Director Annde Ewertzen will present business plan for Board approval. The plan was last presented to the Board at the September 2020 meeting and was approved. The governing board is required by the CRMP Joint Exercise of Powers Agreement to review and update the CRMP business plan annually.

An overview of the recommended changes are as follows:

- Technical clean-up as follows:
 - Addition of “I” and “II” under Section 1. C (p. 3-4)
 - Population of unused #3 and removal of unneeded #4 (p. 4)
 - Removal of “and” from #12 and insertion of “and” in #13 (p. 5)
 - Addition of Title “D. Governing Board” (p. 5)
 - Renumbering of items # 4-7 (p. 6)
- Edit sentence in Section B. Multi-Hazard Mitigation Plan and FEMA grants to read, “Cal OES shall not contribute to the CRMP funds appropriated to Cal OES in the state budget for administrative or operations costs except for funds provided by FEMA or other grant programs”. This change is made to ensure the language allows for FEMA grants that are appropriated through the state budget to be provided to CRMP.

Recommendation:

Staff recommends approval of changes, as noted above, to the current CRMP business plan.

*adopted 10/4/11
revised 6/11/12
revised 7/30/13
revised 7/15/14
revised 12/1/15
revised 5/16/17
revised 12/11/18
revised 9/15/2020
Redline 2/22/21*

Business Plan

California Residential Mitigation Program (CRMP)

1. Program Overview

Both the California Office of Emergency Services (Cal OES) and the California Earthquake Authority (CEA) are authorized to assist California dwelling owners who wish to retrofit their dwellings to protect against earthquake damage. The CEA and Cal OES entered into a joint exercise of powers agreement (“JPA”) to create the California Residential Mitigation Program (CRMP) to carry out a joint mitigation program.

The purpose of the CRMP program is to solicit, accept and disburse funds that will be used to provide grants and other types of assistance and incentives to the owners residential buildings consistent with the JPA in California who wish to retrofit their dwellings to protect against earthquake damage.

The program’s focus is paying or reimbursing dwelling-retrofit expenses that:

1. strengthen cripple walls to enable them to function as shear elements, significantly protecting the dwelling from collapsing;
2. bolt sill plates to the foundation, enabling the dwelling to remain in place, rather than sliding off the foundation during an earthquake;
3. strengthen soft, weak or open front- dwellings to decrease the risk of collapse; and
4. address other seismic-related seismic vulnerabilities, consistent with the CRMP program rules, which are promulgated from time to time.

A. CA Building Code for retrofitting existing residential buildings

The retrofit work funded by CRMP is to conform to California law and may also conform to other design guidance, as determined appropriate, and approved by the governing board from time to time, including but not limited to, Chapter A3 to California Building Code, Title 24, Part 2, Chapter A4 of the 2012 edition of Internal Existing Building Code (IEBC) ASCE 41-06 or ASCE 41-13, FEMA P-807 and FEMA P-1100. The retrofit work will also be subject to any more restrictive local requirements and to the permitting and building-inspection processes of local jurisdictions.

B. Contractors and Design Professionals training and requirements

I. Contractors:

A critical element of the CRMP program is to encourage and support work performed by private-sector contractors that have received FEMA-supplied, specialized residential-seismic-retrofit training. Accordingly, the program includes the following features.

1. Online videos and related tests to illustrate and instruct how to properly perform residential seismic retrofits that meet all applicable residential-seismic-retrofit building codes.
2. A public list of contractors that have one or more employees, workers, or other associated persons who have successfully completed the contractor-training videos and tests, made available online to dwelling owners.
3. A requirement that each listed contractor perform all program retrofit work in accordance with design guidance promulgated pursuant to Section 1(A) above and ensure that an employee, worker, or other associated person who has taken and successfully completed the contractor-training videos and tests oversees and approves all program retrofit work performed by the contractor.
4. A requirement that each listed contractor confirm that it is a licensed contractor in the State of California in good standing and that it will make available to CRMP, on request, evidence that it:
 - a. has in force a current California contractor's license (Class A or B only) in a field reasonably related to residential seismic retrofit work in California;
 - b. has in force a current construction bond that meets or exceeds the statutory requirement for such bonds;
 - c. retains evidence of current workers' compensation insurance for all employees of the contractor; and

- d. demonstrates a commitment to work within the local jurisdiction’s building-construction permitting and inspection processes.
5. Removal of a contractor from the CRMP list of contractors, at the sole discretion of CRMP, in the event CRMP determines that the contractor has failed to meet the requirements listed in (3) or (4) above or is using CRMP’s trademark or anything similar to it or the phrase “Brace + Bolt” in a manner that implies to homeowners or the public that the contractor is affiliated with CRMP beyond being a CRMP-registered contractor.

II. Design Professionals (Architects and Engineers)

As a design professional, the following items are required in order to remain on the list of design professionals:

- 1. Is licensed in the State of California in good standing; and 2. A requirement that each listed design professional will make available to CRMP, on request, evidence that it:
 - a. performs all program retrofit work in accordance with design guidance promulgated pursuant to Section 1(A) above
 - b. retains evidence of current workers’ compensation insurance for all employees of the design professional, if required; and
 - c. demonstrates a commitment to work within the local jurisdiction’s building-construction permitting and inspection processes.

Removal of a design professional from the CRMP list of design professionals is at the sole discretion of CRMP, in the event CRMP determines that the design professional has failed to meet the requirements listed in (1) or (2) above or is using CRMP’s trademark or anything similar to it or the phrase “Brace + Bolt” in a manner that implies to homeowners or the public that the design professional is affiliated with CRMP beyond being a CRMP-registered design professional.

C. Management team

I. CRMP is a legally separate entity from its members. It has a governing board consisting of two members appointed by CEA and two members appointed by Cal OES.

Overall responsibility for operations has been delegated by the governing board to the Executive Director in a governing board resolution authorizing the Executive Director to

take all necessary and appropriate actions to implement the business plan adopted by the governing board as updated from time to time, with the following limitations:

1. obtain prior approval of the governing board for contracts that either (a) involve a cost or obligation to CRMP greater than \$100,000 annually (or if the contract is not for a set amount, where the obligation is likely to exceed \$100,000 annually); or (b) have a duration or likely duration greater than 12 months;
2. obtain prior approval of the governing board before commencing litigation or arbitration proceedings; and

~~3.~~

3. obtain prior approval of the governing board for the annual budget of CRMP.

The Executive Director is authorized to operate CRMP within the framework established by law and the joint exercise of powers agreement that formed CRMP and in accordance with rules and policies adopted by the governing board, including the CRMP Procurement Guidelines and Contracting Manual and the CRMP Expenditures Procedures Manual.

II. The Executive Director is expected to:

1. endeavor continually to identify emerging legal, economic, political, social, technological, and marketplace trends that are likely to affect CRMP's fulfillment of its mission, its operations, solvency, and management and bring to the attention of the governing board all matters that are sensitive in nature or that have a significant policy impact;
2. advise the governing board on all matters pertaining to CRMP;
3. cooperate with and act as liaison between and among the governing board, the CRMP staff, the members of CRMP and their staffs, departments and agencies of the State of California, the Legislature, the Governor, the State Treasurer, the Insurance Commissioner, and other state officers;
4. present to the governing board (with recommendations for) policies, rules, and proposed actions to carry out the provisions of laws that apply to CRMP programs;
5. submit to the governing board reports, resolutions, and procedures, and make recommendations for legislative action on changes in CRMP's programs and efforts in connection with the laws that govern the administration of CRMP;

6. maintain membership in and participate in the proceedings of state, national and other organizations in the field of earthquake loss mitigation for the purpose of keeping abreast of developments in that field and any and all related fields or endeavors—membership and participation includes traveling to and attending meetings of those organizations, as appropriate, and the Executive Director may designate any staff members (or, as appropriate, a contracted CRMP vendor or consultant) to carry out these delegated duties;
7. in consultation with the governing board as needed, act as the primary spokesperson for CRMP to the public and appear before and offer testimony to Legislative committees and address other groups to inform them of the operations, programs, and policies of CRMP as well as positions taken by the governing board (if any) on proposed laws and other issues;
8. prepare proposed updates to the CRMP business plan no less frequently than annually and submit the updates to the governing board for consideration and approval;
9. oversee, direct, and monitor the performance of services from all CRMP contractors, vendors, consultants, and advisors;
10. accept service of summons and any other legal service of process for and on behalf of the governing board and CRMP;
11. execute all documents and authorize the issuance of instructions to accomplish the Executive Director’s authorized responsibilities and duties;
12. report to the governing board on the grants applied for and received; ~~and~~
13. annually select and report to the governing board on the ZIP Codes in which dwelling owners will be invited to submit applications to participate in the CRMP program; ~~and~~
14. annually notify the governing board of marketing plans for the CRMP program.

D. Governing Board

Under its overall authority and responsibility to administer CRMP, the governing board will retain the following powers:

1. deliberate on and adopt basic policy and policy initiatives of CRMP;
2. review and adopt the annual budget of CRMP and CRMP’s cash-flow plan and approve significant budget and cash-flow plan changes;

3. review and adopt the CRMP business plan, approve significant deviations from or actions not in the plan, and review and update the business plan no less frequently than annually;

54. evaluate CRMP program results from time to time and make changes in the program that the governing board decides are appropriate;

65. approve contracts that fall outside the scope of authority delegated to the Executive Director;

76. conduct, or delegate responsibility for, annual performance reviews of key staff; and

87. review and approve litigation and arbitration proceedings.

CRMP may employ or contract for staff and consultants as required to administer the program and may contract with private-sector and other organizations to provide goods and services. Management oversight of the program will be provided by the governing board of CRMP through the chief mitigation officer of the CEA, serving as CRMP Executive Director. Cal OES, through its seats on the governing board, will have input into the direction taken by CRMP. No staffing will be provided by Cal OES.

Under California law, the debts, liabilities, and obligations of CRMP will not be debts, liabilities, or obligations of either of its members. CRMP will purchase insurance, including tort-liability insurance and errors and omissions insurance for CRMP, its members, its officers and employees, and the officers and employees of the CEA who provide services to CRMP and cyber insurance. CEA and Cal OES will be named in the tort liability insurance policy as additional insureds. The terms and cost of such insurance must be acceptable to the CEA and to Cal OES.

2. Program Funding

Funding for CRMP will be provided by voluntary advances, contributions, or grants. Funds from each funding source will be identified and tracked in a manner that permits CRMP to separately account for funds from each funding source. CRMP's program rules will be modified as necessary to reflect restrictions and requirements relating to new funding sources.

A. CEA contributions

CEA plans to continue to contribute funds to CRMP in support of the CRMP program from CEA's Earthquake Loss Mitigation Fund. CEA also has contributed to CRMP the use of personnel, equipment and property. The amount and timing of CEA contributions is within the sole discretion of CEA. Funding provided by CEA may be used for CRMP administrative and operating expenses in addition to direct program expenses. The CEA contributions will be used for the programs described at www.earthquakebracebolt.com.

B. Multi-Hazard Mitigation Plan and FEMA grants

Cal OES will maintain the State of California Multi-Hazard Mitigation Plan, which is required by federal law in order for the State to receive federal funds for mitigation, disaster recovery, and fire suppression. Cal OES shall not contribute to the CRMP funds appropriated to Cal OES in the state budget for administrative or operations costs. Cal OES may contribute except for funds provided by FEMA or other through grant programs. Cal OES, CEA, and CRMP plan to seek federal funding under FEMA's earthquake hazard mitigation grant program and other FEMA funding sources.

C. Other third-party funding

Funds for the CRMP program will be sought from state and other sources and will be accepted if the funding source and any accompanying restrictions and requirements are approved by the governing board of CRMP with the prior written consent of CEA and Cal OES.

3. Other Programs

The CRMP program will not preclude Cal OES or CEA from establishing and operating other mitigation projects or programs.

CRMP Governing Board Memorandum

March 9, 2021

Agenda Item 9: Proposed 2021 CRMP Governing Board Meeting Schedule

Recommended Action: Board approval needed

Background:

CRMP Managing Director Annde Ewertson will present to the Board the proposed 2021 CRMP Governing Board Meeting Schedule. The schedule was presented to the Board at the December 2020 meeting. The Board approved March 9, 2021, however due to schedule conflict, the remaining dates for 2021 needed to be revised and resubmitted for review and approval at the next board meeting, March 9, 2021.

Recommendation:

Staff recommends the Board approve the proposed CRMP 2021 Governing Board meeting schedule.

CALIFORNIA RESIDENTIAL MITIGATION PROGRAM

PROPOSED 2021 MEETING DATES

MEETING DATE	LOCATION
March 9 1:00pm	Teams Meeting (until further notice)
JUNE 1 1:00pm	Teams Meeting (until further notice)
AUGUST 31 1:00pm	Teams Meeting (until further notice)
NOVEMBER 30 1:00pm	Teams Meeting (until further notice)
INQUIRIES & GENERAL INFO: Jacqueline Ball 916-661-5607 (Direct) jball@calquake.com	MEDIA CONTACT: D'Anne Ousley 916-661-5524 (Direct) dousley@calquake.com

Persons with disabilities may request special accommodations at any CRMP governing board meeting or may request the accommodation necessary to receive agendas or materials prepared for its board meetings. Please contact Jacqueline Ball by email at jball@calquake.com. We would appreciate hearing from you at least five (5) days before the meeting date to best allow us to meet your needs.