

UPDATED: 2/3/2022

New Teleconference Dial in Number and Code: 1-323-886-4439

Conference ID Number: 739 649 959#

CRMP

California Residential Mitigation Program

A Joint Powers Authority

Date of Notice: Friday, January 28, 2022

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, February 8, 2022 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 Assembly Bill 361, enacted September 16, 2021, and Governor's Executive Order N-1-22, dated January 5, 2022, which amended certain provisions of the Bagley-Keene Open Meeting Act until March 31, 2022 to authorize the use of teleconferencing for public meetings, this meeting will be conducted by teleconference 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 the meeting (except for any closed session items) and offer comment at this public meeting as described in this Notice.

DATE: Tuesday, February 8, 2022

TIME: 1:00 p.m.

TELECONFERENCE ACCESS: *

Dial-in-Number: [+1 323-886-4439](tel:+13238864439) United States, Los Angeles (Toll)
Enter Conference ID Number: 739 649 959#

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 Sheris Tamblyn at via email at stamblyn@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 Sheris Tamblyn via email at stamblyn@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:

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

Establishment of a quorum

2. Consideration and approval of the minutes of the November 30, 2021 Governing Board meeting.
3. CRMP Executive Director Janiele Maffei will present her executive report.
4. CRMP Treasurer Benjamin Kirwan will review the CRMP financial statements as of December 31, 2021.
5. CRMP Managing Director Annde Ewertsen will present the CRMP Mitigation (Earthquake Brace + Bolt) update.
6. CRMP Managing Director Annde Ewertsen will provide an update of the Business Plan for review and approval.
7. Public comment on items that do not appear on this agenda and public requests that those matters be placed on a future agenda.
8. Adjournment.

Inquiries/General Information:

Sheris Tamblyn

stamblyn@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 Sheris Tamblyn by email at stamblyn@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@californiaresidentialmitigationprogram.com.



Draft Meeting Minutes
are not available.

Please see CRMP Governing
Board Meeting
Approved Minutes.

CRMP Governing Board Memorandum

February 8, 2022

Agenda Item 3: 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

February 8, 2022

Agenda Item #4: Treasurer's Financial Update

Recommended Action: No Action Necessary

Background:

CRMP Treasurer, Ben Kirwan, will review the CRMP financial statements as of December 31, 2021.

Recommendation:

No action is necessary.

California Residential Mitigation Program
(CRMP)

FINANCIAL
REPORT

BOARD MEETING

Tuesday, February 8, 2022

California Residential Mitigation Program

Balance Sheet

As of December 31, 2021

Unaudited

Assets

Cash and cash equivalents	\$	4,131,322
Accounts receivable		1,487,758
Prepaid expenses		5,851
		<hr/>
Total assets		5,624,931
		<hr/> <hr/>

Liabilities and Fund Balance

Liabilities:

Accounts payable and accrued expenses		89,153
		<hr/>
Total liabilities		89,153
		<hr/>

Fund Balance:

Unassigned		5,535,778
		<hr/>
Total fund balance		5,535,778
		<hr/>
Total liabilities and fund balance	\$	5,624,931
		<hr/> <hr/>

California Residential Mitigation Program
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

Unaudited

Revenues:

Contributions from other governments	\$ 8,139,165
	<hr/>
Total revenues	8,139,165
	<hr/>

Expenditures:

Audit services	63,250
Board services	1,005
Grants to homeowners	8,183,630
Inspection services	191,920
Insurance	43,659
IT administrative support	5,877
Legal services	38,508
Marketing services/Program Education	191,329
Program support	4,437
	<hr/>
Total expenditures	8,723,615
	<hr/>

Net change in fund balance (584,450)

Fund balance, beginning of year

 6,120,228

Fund balance, end of year

 \$ 5,535,778

California Residential Mitigation Program
Budgeted Expenditures and Actual Expenditures
2021 Budget Year
as of December 31, 2021

	2021 Actual Revenues and Expenditures	Approved 2021 Budget	Variance	
			\$	%
Revenue				
Contribution from Members ¹	\$ -	\$ 3,000,000	\$ (3,000,000)	-100.00%
FEMA - 4344 ²	7,423,974	12,000,000	(4,576,026)	-38.13%
FEMA - 4407 ESS ²	-	2,500,000	(2,500,000)	-100.00%
FEMA - 4407 EBB ²	-	2,500,000	(2,500,000)	-100.00%
FEMA - 4308 ²	715,191	1,000,000	(284,809)	-28.48%
Total Revenue	\$ 8,139,165	\$ 21,000,000	\$ (12,860,835)	-61.24%
CRMP Administration Expenses				
EBB Marketing / Program Education	\$ 191,329	\$ 525,000	\$ 333,671	63.56%
Home Inspection Services	191,920	190,000	(1,920)	-1.01%
Legal Services	38,508	75,000	36,492	48.66%
Financial Audit	63,250	65,500	2,250	3.44%
Software/Information Technology	5,877	53,300	47,423	88.97%
Insurance	43,659	28,000	(15,659)	-55.93%
Administration & Office	-	20,000	20,000	100.00%
Travel	-	10,000	10,000	100.00%
Call Center	4,437	6,500	2,063	31.74%
Board Services	1,005	1,800	795	44.17%
Professional Dues and Memberships	-	800	800	100.00%
Total Administration Expenses	539,985	975,900	435,915	44.67%
Grants to Homeowners				
Grants to Homeowners - FEMA 4344	7,423,974	12,000,000	4,576,026	38.13%
Grants to Homeowners - EBB	44,465	2,700,000	2,655,535	98.35%
Grants to Homeowners - FEMA 4407 ESS	-	2,500,000	2,500,000	100.00%
Grants to Homeowners - FEMA 4407 EBB	-	2,500,000	2,500,000	100.00%
Grants to Homeowners - FEMA 4308	715,191	1,000,000	284,809	28.48%
Total Grants to Homeowners	8,183,630	20,700,000	12,516,370	60.47%
Total Administrative and Grants to Homeowners	\$ 8,723,615	\$ 21,675,900	\$ 12,952,285	59.75%

¹ California Earthquake Authority board approved max funding of \$3,000,000 for 2021 at the CEA board meeting on December 10, 2020.

² FEMA revenue is direct reimbursement based, so revenue is adjusted monthly to match incentive payments paid.

CRMP Governing Board Memorandum

February 8, 2022

Agenda Item 6: California Residential Mitigation Program incentive program
(CRMP Earthquake Brace + Bolt)

Recommended Action: No action required—information only

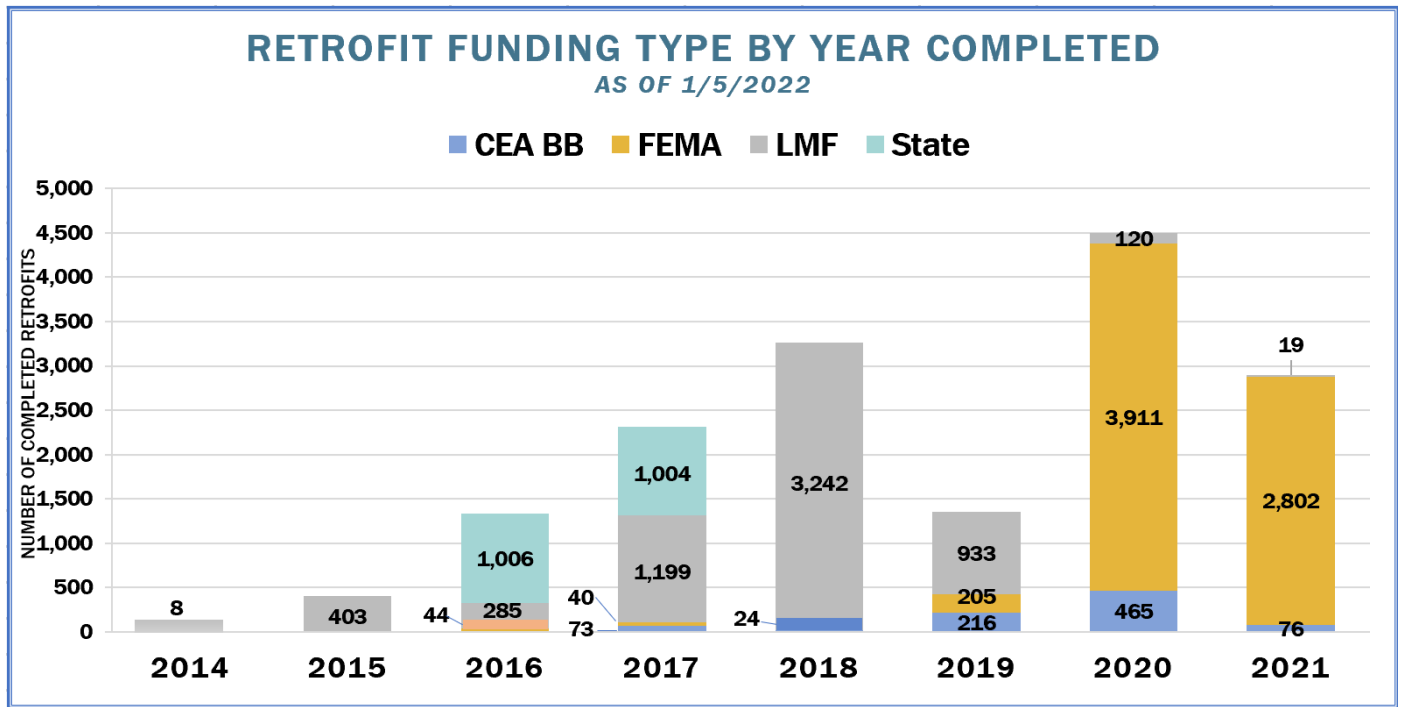
CRMP Earthquake Brace + Bolt Programs

Although the number of completed retrofits has slowed because EBB is at the tail end of the current program, more than 16,175 have been completed. An additional, 1,800 homeowners were recently invited to participate (1,400 in the new HMGP 4407 EBB program and 400 to fill the remaining HMGP 4344 spots).

The CRMP-funded program, with 1,000 grants available, has 592 retrofits completed, 1 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 (1,336) in the HMGP DR-4308 grant have been filled and approved by FEMA: 1,337 retrofits completed in total. The HMGP DR-4344 program (registrations completed in 2019 and 2020), with 6,667 grants available, has 5,651 retrofits completed, 1,033 in-progress, which includes 72 extensions and 857 in accepted status. More applicants have been accepted into the program than grants available. Should the program become over-subscribed, applicants can be moved into the HMGP DR-4407 program. EBB staff does not believe this will be required.

Earthquake Brace + Bolt Program 11/18/2021 CRMP and CEA by Program Cycle			
Program	Completed	In Progress	Status
2014-2018 EBB	7,628	N/A	Closed
FEMA Napa EBB	84	N/A	Closed
CRMP 2019 EBB	590	5	Open
FEMA – funded HMGP DR 4308, 4344, & 4407	6,988	2,435	Open
CEA BB	856	8	Open
Total	16,146	2,448	N/A

Funding for retrofits have come from CEA for the CEA Brace + Bolt (CEA BB) Program for policyholders, which is now closed to new registrations; and FEMA through the Hazard Mitigation Grant Program (HMGP), the Loss Mitigation Fund (LMF) and the State for the retrofits completed in the Earthquake Brace + Bolt Program (EBB).



EBB staff continue to be busy working from home since the last board meeting (Nov 16th - Jan 24th):

- 3,814 Incoming Calls (85 calls/day)
- 1,466 Emails Answered since
- 167 Applications sent to FEMA
- 838 Retrofits Completed

In addition to phone calls, emails and applications processed, staff continue to work with CEA IT to roll out the updated backend database system, enhancements for the supplemental grant initiative and bug fixes identified during registration.

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 (submitted and waitlisted) include requests for an additional \$236M 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—time extension to 4/23
HMGP DR 4407	\$5M	EBB	Approved
HMGP DR 4407	\$5M	ESS	Approved
HMGP DR 4431	\$3M	EBB	Waitlisted
HMGP DR 4434	\$3M	EBB	Waitlisted
HMGP DR 4558	\$20M	EBB	Waitlisted
HMGP DR 4569	\$50M	ESS	Waitlisted
HMGP DR 4558 Round II	\$50M	ESS	Application submitted 6/11/21. Received additional RFI on 10/7/21, submitted response on 10/26/21.
HMGP DR 4569	\$20M	EBB	Application submitted April 29, 2021. Received additional RFIs on 10/18/21 and 10/29/21. Submitted responses on 10/27/21 and 11/2/21.
BRIC	\$20M	Multi-family ESS	Application to be submitted 12/1/21.
2022 HMGP NOI	\$20M	EBB	Submitted 1/21/22
2022 HMGP NOI	\$50M	ESS	Submitted 1/21/22

Supplemental Grant Program Development

CRMP has completed the development of the low-income supplementary grant and it will be available to homeowners registered in the 2021 EBB program, which is currently accepting homeowners into the program. As additional funding over and above the EBB \$3,000 grant to homeowners, this supplemental grant should cover most of the cost of a retrofit. If the supplemental grant is funded by the Loss Mitigation Fund (LMF), the grant may be taxable at the federal level.

EBB Program Contractors

Of the contractors on the EBB Directory (Directory), 406 have completed at least one retrofit – an increase of 7 contractors since the last report. As contractors withdraw from the Directory, licenses are not renewed, or a contractor has not completed the training, a discrepancy between registered contractors and contractors on the Directory may occur. EBB began a new outreach campaign for the 40 new ZIP Codes in the 2021 EBB program in December to encourage new contractors to join the Directory. All current contractors have been contacted and encouraged to update the ZIP Codes in which they are willing to work.

Contractors in EBB Directory- Range of Retrofits Paid (as of 1/18/2022 COB)										
Paid Retrofits	0	1	2-5	6-10	11-20	21-49	50-99	100-399	400+	Total
15,068	762	131	105	50	36	34	18	21	11	1,168

Contractors with 1 or more paid retrofits:	406
Average Retrofits/Contractor:	37

Note: The number of completed retrofits is lower than total completed because it does not include retrofits completed by contractors not on the Directory. The CEA BB program did not require policyholders to use contractors on the Directory.

EBB Northern and Southern Regional Differences

Retrofit costs in Northern California have decreased slightly since the last report from \$6,977 to \$6,967 and remain more expensive than Southern California. In Southern California, there was a slight increase in the average cost from \$4,841 to \$4,853 in the 2020 program. The overall average cost remained about the same since the last report. The Executive Director will provide additional detail in her executive report and future data.

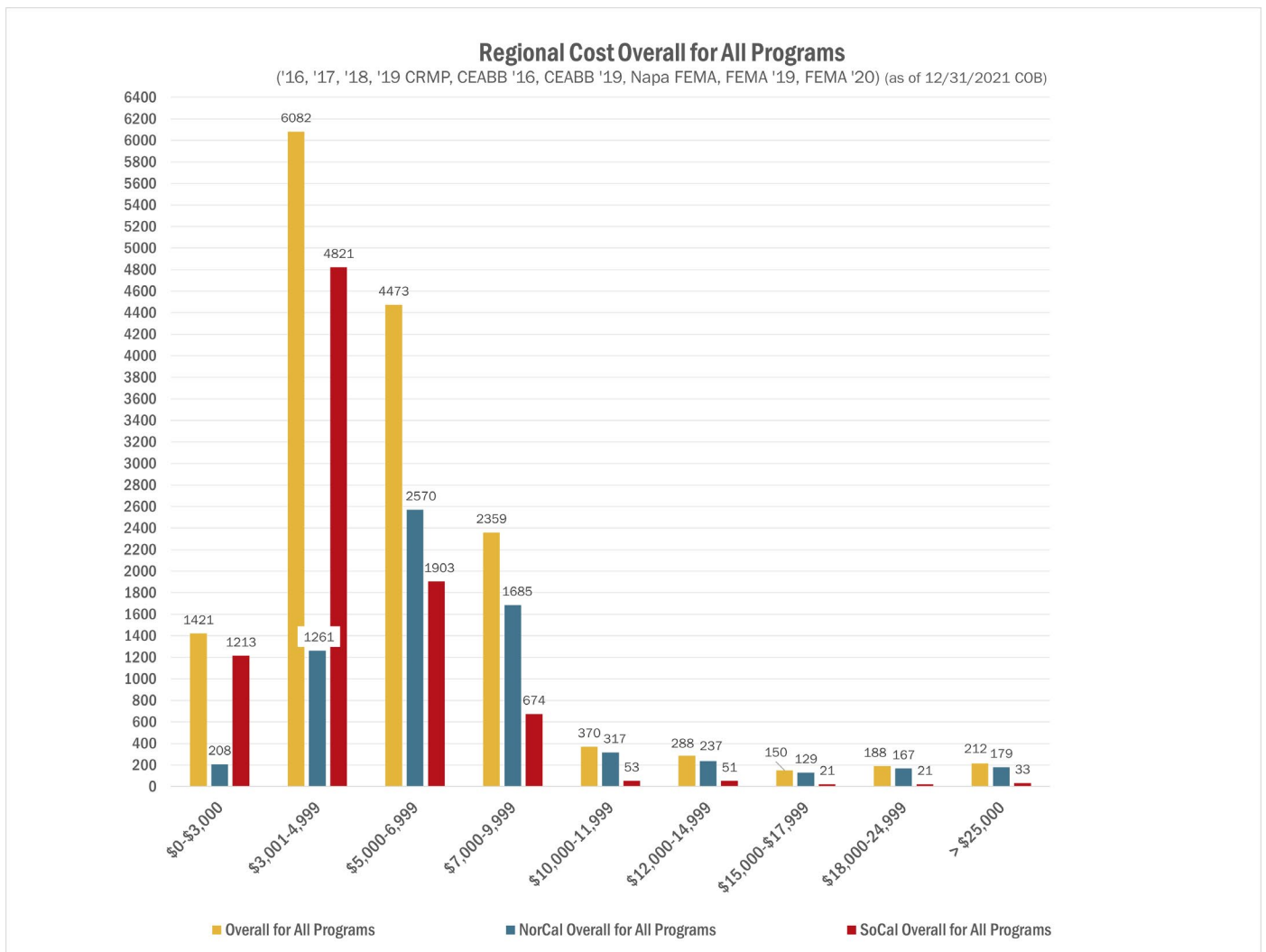
Northern CA Retrofits (as of 12/31/2021 COB)					
Program Year:	2016	2017	2018	2019	2020
Total # of Retrofits:	585	828	1,173	1,759	1,661
Average Cost:	\$9,167	\$8,899	\$8,496	\$7,648	\$6,967
Median Cost:	\$7,500	\$7,361	\$6,670	\$6,284	\$5,944
Min Cost:	\$928	\$1,143	\$955	\$646	\$593
Max Cost:	\$75,465	\$54,362	\$63,430	\$86,198	\$57,038

Southern CA Retrofits (as of 12/31/2021 COB)					
Program Year:	2016	2017	2018	2019	2020
Total # of Retrofits:	970	1,357	2,177	1,867	2,228
Average Cost:	\$4,597	\$4,726	\$4,936	\$4,840	\$4,853
Median Cost:	\$3,950	\$3,934	\$4,160	\$4,250	\$4,300
Min Cost:	\$562	\$1,197	\$877	\$724	\$912
Max Cost:	\$46,664	\$45,390	\$54,096	\$61,684	\$52,400

*only includes EBB 2016, EBB 2017, EBB 2018, EBB 2019 (CRMP, FEMA 4308 & 4344), FEMA 202 *only includes EBB 2016, EBB 2017, EBB 2018, EBB 2019 (CRMP, FEMA 4308 & 4344), FEMA 2020

All Programs Overall Retrofits (as of 12/31/2021 COB)	
Program Year:	'16, '17, '18, '19 CRMP, CEABB '16, CEABB '19, Napa FEMA, FEMA '19, FEMA '20
Total # of Retrofits:	15,543
Average Cost:	\$6,166
Median Cost:	\$5,051
Min Cost:	\$562
Max Cost:	\$93,541

The cost of retrofits within specific ranges remained stable during this reporting period. For all retrofits completed, 9% cost less than \$3,001. Of the completed retrofits 3% were under \$3,001 in Northern California and 14% are in Southern California. A total of 48% of the completed retrofits cost less than \$5,000. A further breakdown of this data shows 22% of completed retrofits were in Northern California and 69% in Southern California. More than 77% of all retrofits cost less than \$7,000, 60% in Northern California and 90% in Southern California and 92% cost less than \$10,000.



Engineered and Non-Engineered Retrofits

Engineered retrofits continue to be substantially more costly than non-engineered retrofits. With 222 engineered retrofits completed in the 2020 program, the average cost decreased since the previous quarterly report from \$12,623 to \$12,520. Non-engineered retrofits also decreased slightly from \$5,353 to \$5,346.

Retrofits by Type (as of 12/31/2021 COB)								
	2017 Program		2018 Program		2019 Programs		2020 Program	
Type of Retrofit	Engineered	Non-Engineered	Engineered	Non-Engineered	Engineered	Non-Engineered	Engineered	Non-Engineered
Total # of Retrofits:	227	1,958	313	3,037	285	3,341	222	3,667
Average Cost:	\$15,335	\$5,263	\$15,243	\$5,249	\$14,834	\$5,466	\$12,520	\$5,346
Median Cost:	\$13,541	\$4,500	\$12,083	\$4,510	\$10,425	\$5,141	\$9,276	\$5,014
Min Cost:	\$2,661	\$1,143	\$1,673	\$877	\$1,540	\$646	\$1,747	\$593
Max Cost:	\$54,362	\$40,200	\$63,430	\$60,844	\$86,198	\$18,853	\$57,038	\$52,400

(Table Source: (12-31-2021) Engineered Vs. Plan Set Retrofits)

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 2020 program is almost evenly distributed between the two regions, which is different from the 2019 program, but continues to be lower in Southern California. The completion rate for the 2018 EBB program at 45% has been the highest for all program years. The rate for the 2019 and 2020 program will not be calculated until the programs close. Given the delay in accepting homeowners into the 2019 program and the current economic impact of COVID-19, EBB is unsure what to expect for the 2019 and 2020 FEMA-funded completion, but as additional retrofits are completed it appears the completion rate may be substantially impacted.

Withdrawn Homeowners (as of 1/18/2022 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 '15		Pilot 2013		Total	
Southern California	3,353	49%	1,839	38%	128	34%	2,191	52%	1,435	40%	1,110	39%	552	38%	52	38%	10,660	44%
Northern California	3,539	51%	2,992	62%	251	66%	1,989	48%	2,153	60%	1,772	61%	886	62%	86	62%	13,668	56%
Total	6,892	100%	4,831	100%	379	100%	4,180	100%	3,588	100%	2,882	100%	1,438	100%	138	100%	24,328	100%

Other Items of Interest

- Registration for the 2021 EBB program: October 27- December 9, 2021
 - Virtual press conference
 - Speakers: 4 state legislators and representatives from Cal OES, CGS and CEA
 - Generated coverage from more than 25 California news outlets
 - Press release being posted on Yahoo Finance and MarketWatch
 - Stories on: ABC 10 Sacramento, CBS TV San Francisco, CBS Radio San Francisco, Univision San Francisco, ABC San Diego, KFI Los Angeles (ABC Radio), NBC Los Angeles, KCAL Los Angeles, Fox Los Angeles, CBS Palm Springs, ABC Palm Springs, Fox Palm Springs, and Telemundo 15
 - Outreach included members of the state legislature, local government representatives and community groups
 - Online digital paid media with banner ads (in English, Spanish and Chinese) and short videos on Facebook targeted homeowners in EBB ZIP Codes
 - Separate ads focused on new Supplemental Grants
 - Two stories (SoCal and NorCal) were placed in various McClatchy online newspapers.
 - Outreach: campaign delivered **4.66 million paid media impressions**, exceeding the anticipated 3.76 million total impressions
 - **95 earned media hits**, exceeding the 56 total mentions earned during the 2020 homeowner registration campaign
 - Almost 13,000 registrants, which was more than any previous registration yielded
- HMGP DR 4308 – Cal OES requested EBB to submit documents to request \$80M in additional funds. The paperwork was submitted on 12/31/21. Cal OES has submitted the request to FEMA.
- HMGP DR 4344 – EBB requested a time extension until 4/2/23 for this grant in December, which was approved by Cal OES. This will allow the recently invited participants an opportunity to complete their retrofits and allow the program to provide 6,667 grants.
- CRMP let an RFQ in mid-January for marketing and PR services. At the May 2022 board meeting, staff will bring the selected candidate’s contract for approval.

CRMP Governing Board Memorandum

February 8, 2022

Agenda Item 6: 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 March 2021 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:
 - Abbreviate language from:
“..., 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.”
 - Change to:
“..., the latest edition of Chapters A3 and A4 of the California Existing Building Code; ASCE 41; FEMA P-807; and FEMA P-1100.”

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
adopted 2/22/21
redlined 2/08/22

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 the latest edition of: Chapters A3 and A4 of the California Existing Building Code; and ASCE 41; FEMA P-807; and FEMA P-1100.

~~, 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

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. 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.

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;
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;
4. evaluate CRMP program results from time to time and make changes in the program that the governing board decides are appropriate;
5. approve contracts that fall outside the scope of authority delegated to the Executive Director;
6. conduct, or delegate responsibility for, annual performance reviews of key staff; and
7. 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 except for funds provided by FEMA or other 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.