IWM Finance Planning Framework
Summary of Comments to Date

- Define future State government role in IWM; if not administering G.O. bonds
- Clarify how State government investment prioritization will occur
- Emphasize historical role of local government in planning, investment, and management of IWM
- Acknowledge importance of guiding principles for framing State water finance – particularly beneficiary pays
Consider deferring the finance objective and related actions to future Update

Revise phrasing around Proposition 218

Concerns regarding public goods charge/statewide fee

Acknowledge role of future G.O. Bonds
Update 2013
Finance Planning Framework

Purpose of Update 2013 [Strategic] Finance Planning effort:

- Create a common and comprehensive understanding of current [finance] conditions
- Identify State IWM investment principles and priorities
- Recommend innovative, stable, equitable and fiscally disciplined financial strategies and revenue sources
Volume 1 – Strategic Plan

- Chapter 1 – Planning for Environmental, Economic and Social Prosperity
- Chapter 2 – California Water Today
- Chapter 3 – Imperative to Invest in Innovation and Infrastructure
- Chapter 4 – Companion Plans
- Chapter 5 – Managing an Uncertain Future
- Chapter 6 – Integrated Data and Analysis
- Chapter 7 – Finance Planning Framework
- Chapter 8 – Implementation Plan
California faces unacceptable risks from flooding, unreliable water supplies, and habitat and species declines.

Stakes are tremendously high and every Californian has a stake.
California must make its economy -- business and finance -- more stable with a higher degree of certainty that natural resources will be sustained over the long term, flood damages will be averted, water supplies will be reliable and predictable, and recreational opportunities will be improved.
Chapter 1 - Update 2013 Themes

Figure 1-1 Themes of California Water Plan Update 2013

Integrated Water Management
System flexibility and resiliency
Advocacy from implementers and financiers
Delivery of benefits using fewer resources

Government Agency Alignment
Clarification of State Roles
Reduction in implementation time and costs
Efficient achievement of multiple objectives

Investment in Innovation and Infrastructure
Stable and strategic funding
Priority-driven funding decisions
Equitable and innovative finance strategies

Integrated water management provides a set of principles and practices that include government agency alignment through open and transparent planning process. This leads to stakeholder and decision-maker support for investment ... in innovation and infrastructure.
Stable, priority-driven funding sources are essential to successful integrated water management.
Chapter 2 - Outline
(Partial list)

- Planning For Stability Amid Extreme Diversity and Variability
- Land Use and Development Patterns
- Water Conditions
- IWM Funding and Expenditures
- Critical Challenges
- Responses and Opportunities
Chapter 3 - Outline
(Partial list)

- A Critical Time to Invest
- Fundamental Lessons
- Looking to the Future — The Roadmap
  - Vision, Mission, Goals, Guiding Principles, Objectives
- Role of State Government to enhance Integrated Water Management
Chapter 7 - Finance Planning Framework Purpose

- Creates a common and comprehensive understanding of current [finance] conditions
- Provides a menu of available finance mechanisms; including trade-off descriptions
- Frames data, information and stakeholder input that supports finance recommendations
Chapter 7 - Finance Planning Framework Outline

1. Resource Management & Funding
   1850 – Present

2. Total State & Federal IWM Expenditures in CA
   1985 – 2010

3. State, Federal & Local Total IWM Expenditures
   2000 – 2010

4. State Government Expenditures
   2000 – 2010

5. G.O. Bond Funding & Debt Level
Chapter 7 - Finance Planning Framework

Outline (continued)

6. Financing Mechanisms (Traditional & New)
7. Role of State Government
8. Finance Principles
9. State & Local Financing Options
Chapter 7 - Finance Planning Framework

Section by Section Review
Chapter 8 – Implementation Plan

- IWM Objectives (13 in Update 2009)
- Related Actions (115 in Update 2009)
- Broad range of specificity
- Most actions from companion State plans
- Adding finance objective (and related actions) for Update 2013
Objective 1 – Expand Integrated Regional Water Management

Promote, improve, and expand Integrated Regional Water Management to create and build on partnerships that are essential for California water resources planning, sustainable watershed and floodplain management, and increasing regional self-sufficiency.
Chapter 8 – Implementation Plan
Sample related action from Update 2009

Related Actions:

1. State government should encourage—through both financial and technical assistance—IRWM planning and implementation throughout California with greater emphasis on adapting to effects of changing climate including possible increases in drought frequency and duration and possible increases in flood events.
   - State government should promote and provide incentives to regional partnerships to move toward water and flood planning at a watershed-scale or IRWM plan-scale and to consider using watershed and groundwater basin boundaries when determining IRWM planning region boundaries.
Chapter 8 – Implementation Plan
Sample objective from Update 2009

Objective 5 – Expand Environmental Stewardship

Practice, promote, improve, and expand environmental stewardship to protect and enhance the environment by improving watershed, floodplain, and instream functions and to sustain water and flood management systems.
Chapter 8 – Implementation Plan
Sample related action from Update 2009

Related Actions:

1. State, federal, Tribal, regional and local governments and agencies that own and operate water management systems and flood management systems, as well as public and private organizations, should include actions in their respective land use, water, flood, and natural resource management plans that would contribute to a statewide goal to protect and re-establish native riparian floodplain corridor habitat by 2020. The combined and coordinated activities of local planning activities including Integrated Regional Water Management (IRWM), Urban Water Management Plans, Natural Community Conservation Plans, Habitat Conservation Plans as well as other water resource or riparian floodplain focused efforts should include objectives to meet these environmental stewardship goals.

   ○ By 2020, re-establish 1 million acres of contiguous natural riparian and floodplain habitat and its hydrologic connectivity between rivers/streams and their historical floodplains for at least 50 percent of the river miles in the regions.
Update 2013 Finance Planning
Next Steps

- Water Plan Advisory Committee Meeting May 2
- Update 2013 Admin Draft to DWR executive management – May 2013
- Public Review Draft July 2013
- Release Final Water Plan Update March 2014