



FEMA PICM

-Flood Hazard Overlay Zone
Ordinance

-Comprehensive Plan
Proposed Amendments





Agenda:

- Provide context for the hearing
- Review of local impacts
- How other jurisdictions responded
- Assess Legal Risk
- Answer questions

BIOP

In April 2016, the **National Marine Fisheries Service (NMFS)** released a **biological opinion (FEMA BIOP)** that determined that the **National Flood Insurance Program (NFIP)** jeopardizes protected salmon and steelhead in Oregon because it results in floodplain development and, therefore, a reduction in habitat for these protected species.

The FEMA BIOP directed by the **Federal Emergency Management Agency (FEMA)** to update NFIP requirements and associated programs to avoid impacts to protected species.

Who does this impact?

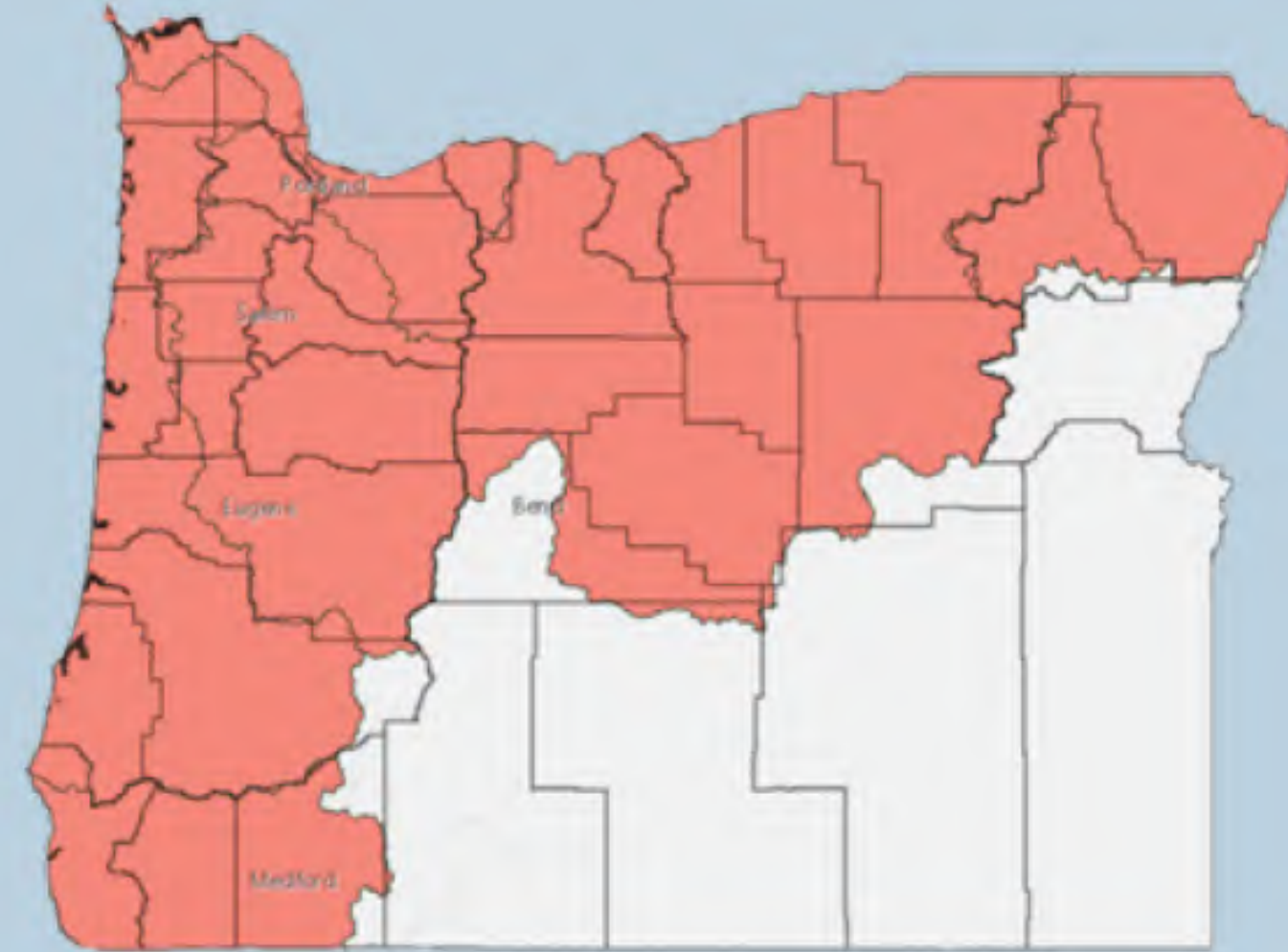


Affected Communities

The PICMs and the Oregon NFIP-ESA integration performance standards apply to communities that are:

- Located in the Oregon implementation area, as specified by the 2016 NMFS BiOp;
- Participating in the NFIP; and
- Have a mapped SFHA

For more information in determining if your community is in the plan area, please visit [National Flood Insurance Program – Endangered Species Act Integration in Oregon | FEMA.gov](https://www.fema.gov/national-flood-insurance-program-endangered-species-act-integration-in-oregon).



A total of 227 communities across 31 counties are affected in Oregon.



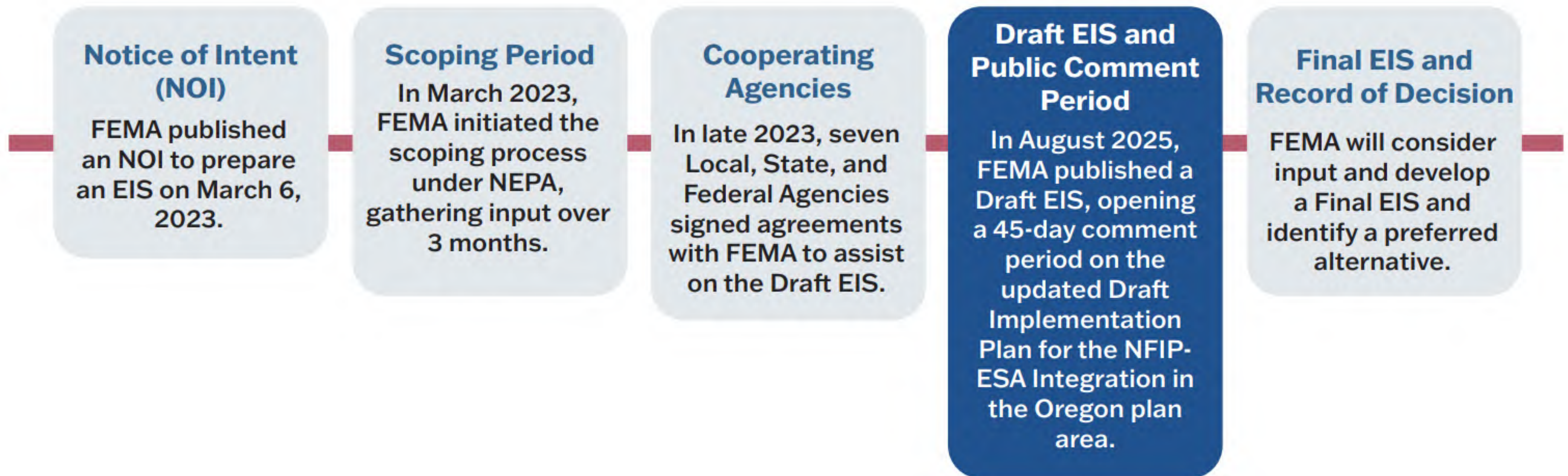
PICMs

FEMA developed Pre-Implementation Compliance Measures (PICMs) for participating NFIP communities to comply with Endangered Species Act (ESA) requirements in the interim period while the full implementation is being reviewed under NEPA.

Pre-Implementation of what?



Environmental Impact Statement (EIS)



FEMA



PICMs

FEMA notified communities in Oregon that 1 of 3 PICM would need to be adopted in response to the BIOP prior to FEMA implementing a complete response to the BIOP

-PICM Options:

- Adopt the Model Ordinance
- Permit-by-Permit evaluation of floodplain development
- Prohibit all development in the Special Flood Hazard Area (SFHA)

FEMA extended the PICM deadline to August 29, 2025.





Model Ordinance

Follow the No Net Loss Standards set by the BIOP

Table 1: No Net Loss Standards

	Undeveloped Space (ft ³)	Impervious Surface (ft ²)	Trees (6" < dbh < 20")	Trees (20" < dbh < 39")	Trees (39" < dbh)
Basic Mitigate Ratios					
RBZ and Floodway	2:1*	1:1	3:1*	5:1	6:1
RBZ-Fringe	1.5:1*	1:1	2:1*	4:1	5:1
Mitigation Multipliers					
Mitigation Onsite to Mitigation Offsite, Same Reach	100%	100%	100%	100%	100%
Mitigation Onsite to Mitigation Offsite, Different Reach, Same Watershed	200%*	200%*	200%	200%	200%

Permit by Permit

Permit-by-Permit Approach would require development applications to analyze potential loss to floodplain functions and propose mitigation that abides by the mitigation standards outlined in the habitat assessment guide and ensures no net loss of the impacted functions.



Extent of Impact

Residential Zoned Land in SFHA:

86 Acres (11% of all residentially zoned land)

23 Acres of which are undeveloped

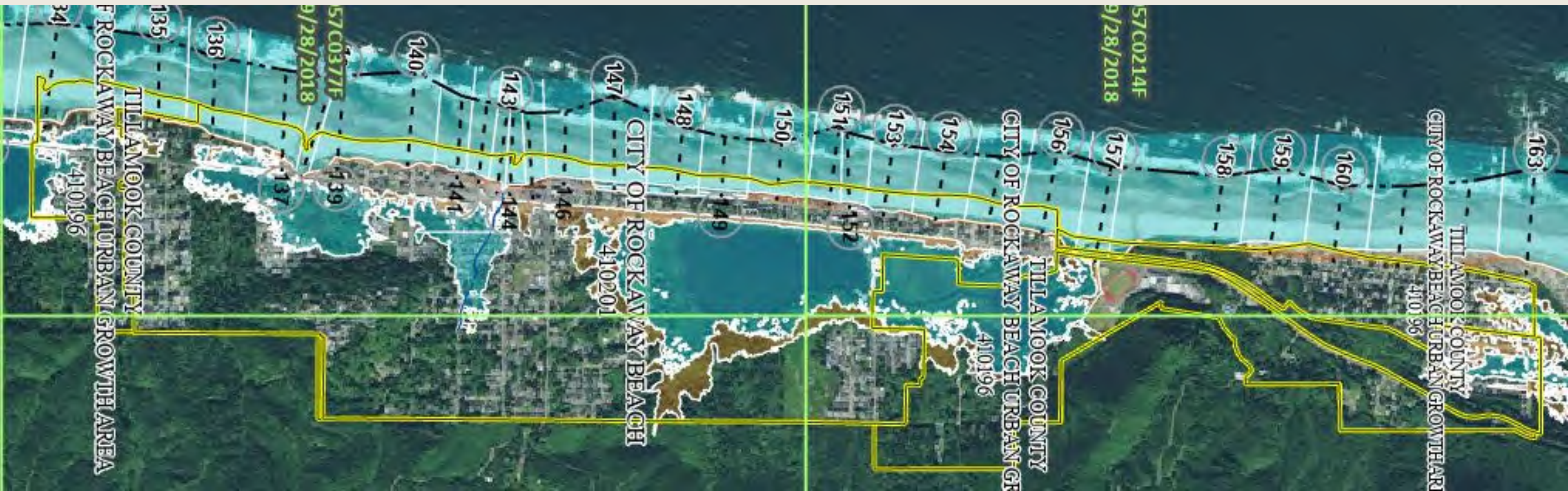
Commercial Zoned Land in SFHA:

14 Acres (29% of all commercially zoned land)

4 Acres of which are undeveloped

27% of the Rockaway Beach is in the SFHA

7% to 9% Zoned Residential/Commercial



An illustration on the left side of the slide depicts a sunset scene. A large, bright orange sun is partially obscured by dark brown, rolling hills. The foreground consists of a solid brown area representing water, with two stylized sailboats (orange sails on dark brown hulls) and a small, textured brown rock. The overall color palette is warm, using shades of orange, brown, and tan.

Extent of Impact

In the City of Rockaway Beach, there are 253 active NFIP policies, representing \$69,494,000 in coverage for our community.

The National Flood Insurance Program (NFIP) lapsed on September 30, 2025, leaving homeowners unable to buy new NFIP flood insurance policies or renew existing policies.

Cities and counties must continue enforcing their local floodplain management regulations despite lapse.



Response to PICM

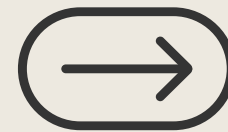


Response to PICM

Tillamook County

Responded by letter to FEMA

What are the Conditions of each
jurisdiction?

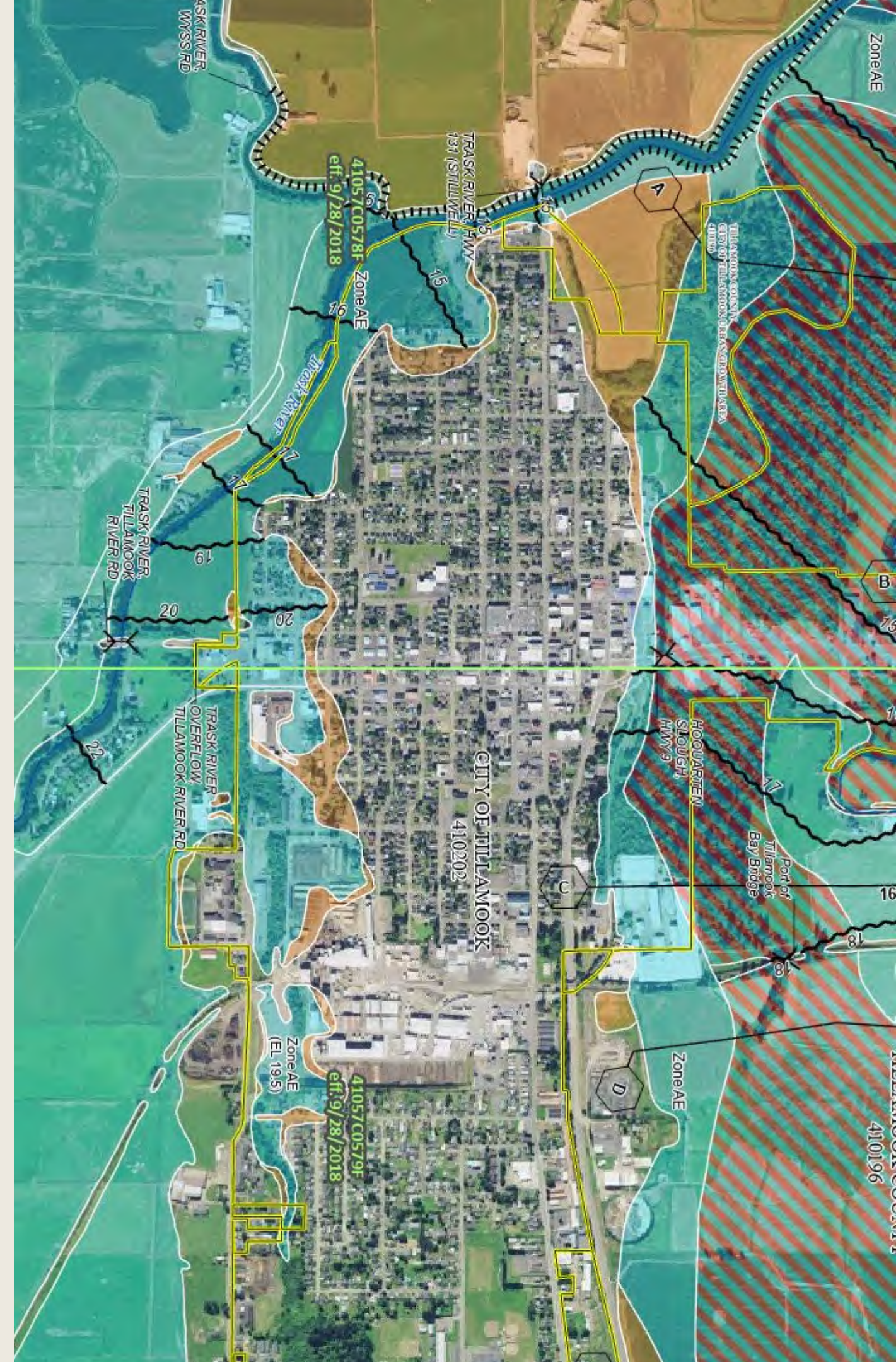
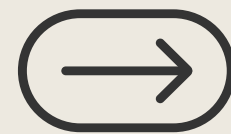


Response to PICM

City of Tillamook

Responded by letter to FEMA

What are the Conditions of each
jurisdiction?

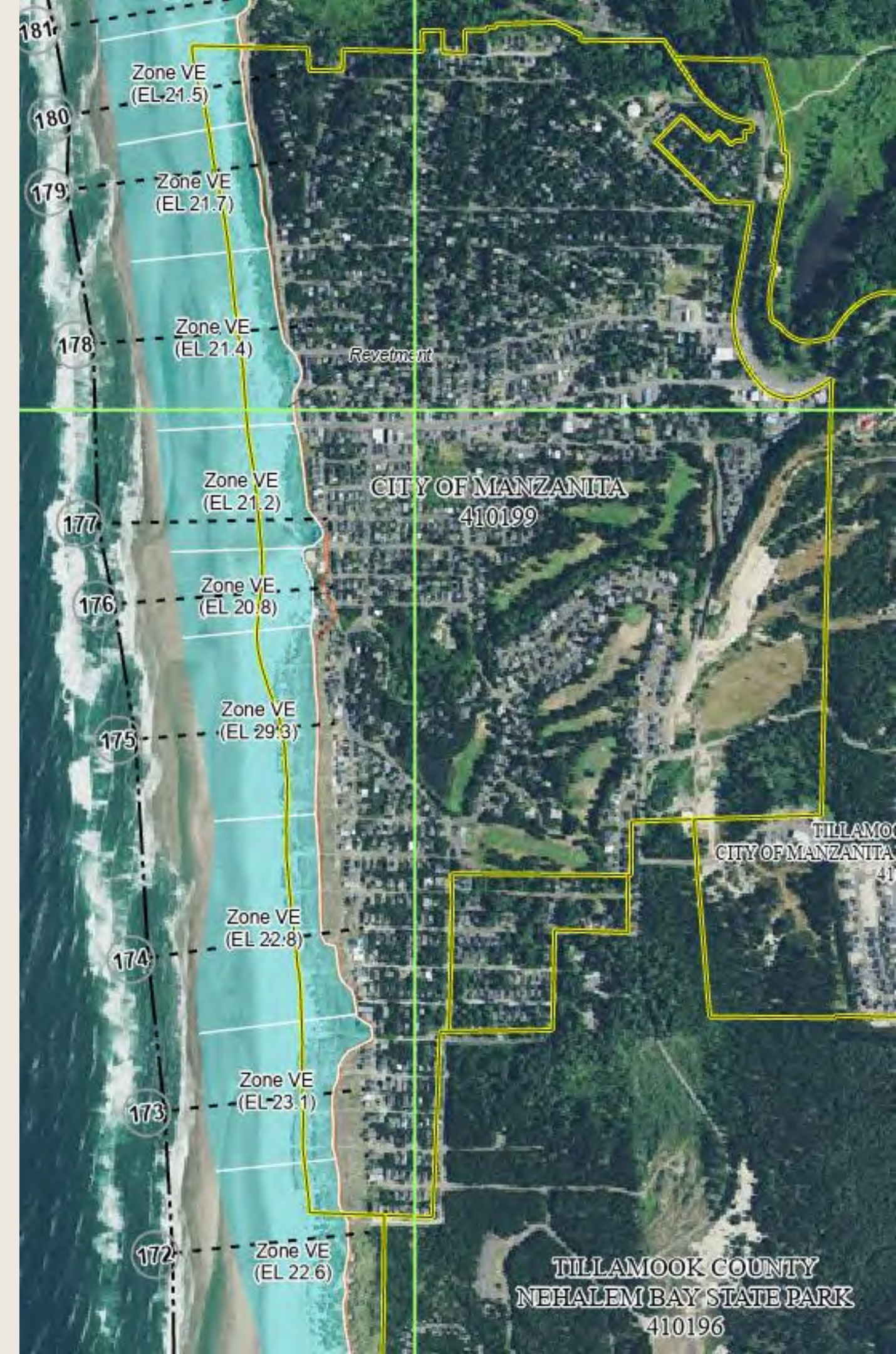


Response to PICM

Manzanita

Responded by Permit by Permit approach

What are the Conditions of each
jurisdiction?

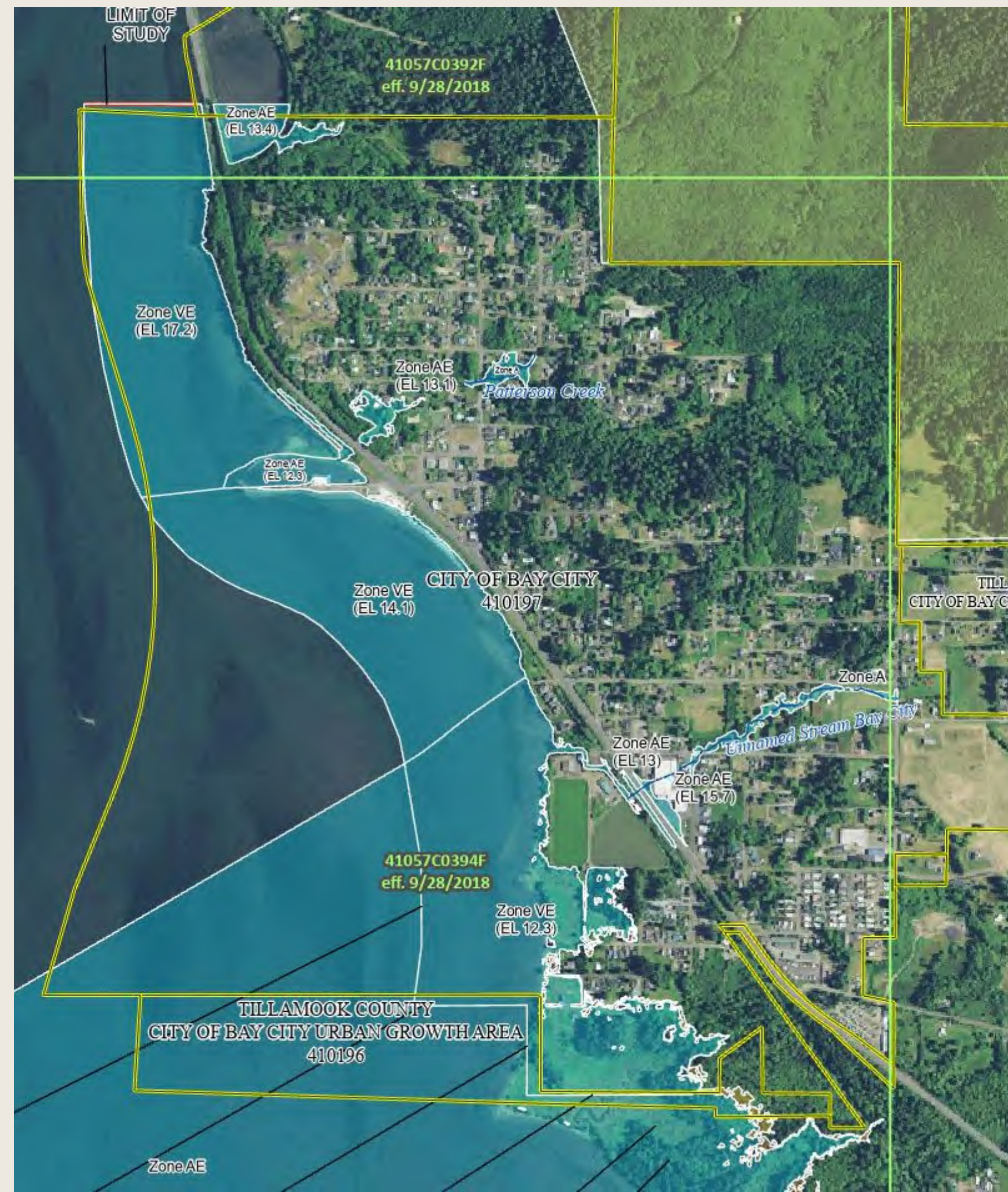
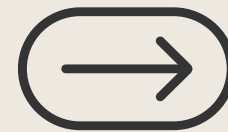


Response to PICM

Bay City

Responded by Moratorium, then defaulted to
Permit by Permit approach

What are the Conditions of each
jurisdiction?

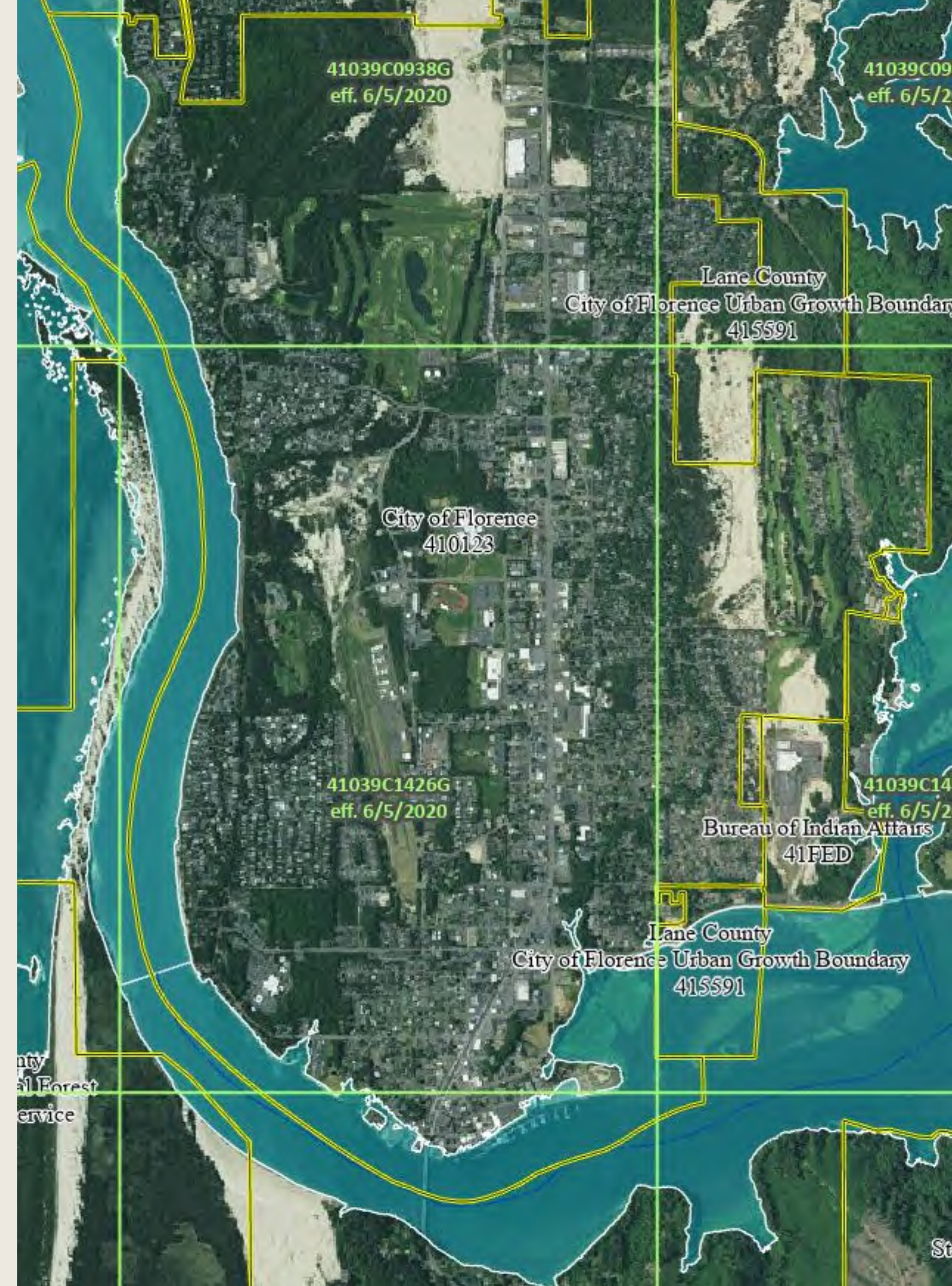
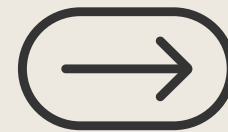


Response to PICM

Florence

Defaulted to permit-by-permit review, as the model ordinance could not be adopted

What are the Conditions of each jurisdiction?

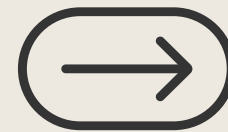


Response to PICM

Warrenton

Model Ordinance, which has yet to be adopted

What are the Conditions of each
jurisdiction?



Assessing Legal Risk

Armand Resto-Spotts,
Local Government Law Group

What path should we take?



City of Rockaway Beach

Sewer Rate Study Results

November 12, 2025



Overview of the Presentation



Purpose of the Study



Draft Study Results



Summary & Next Steps



Questions & Discussion

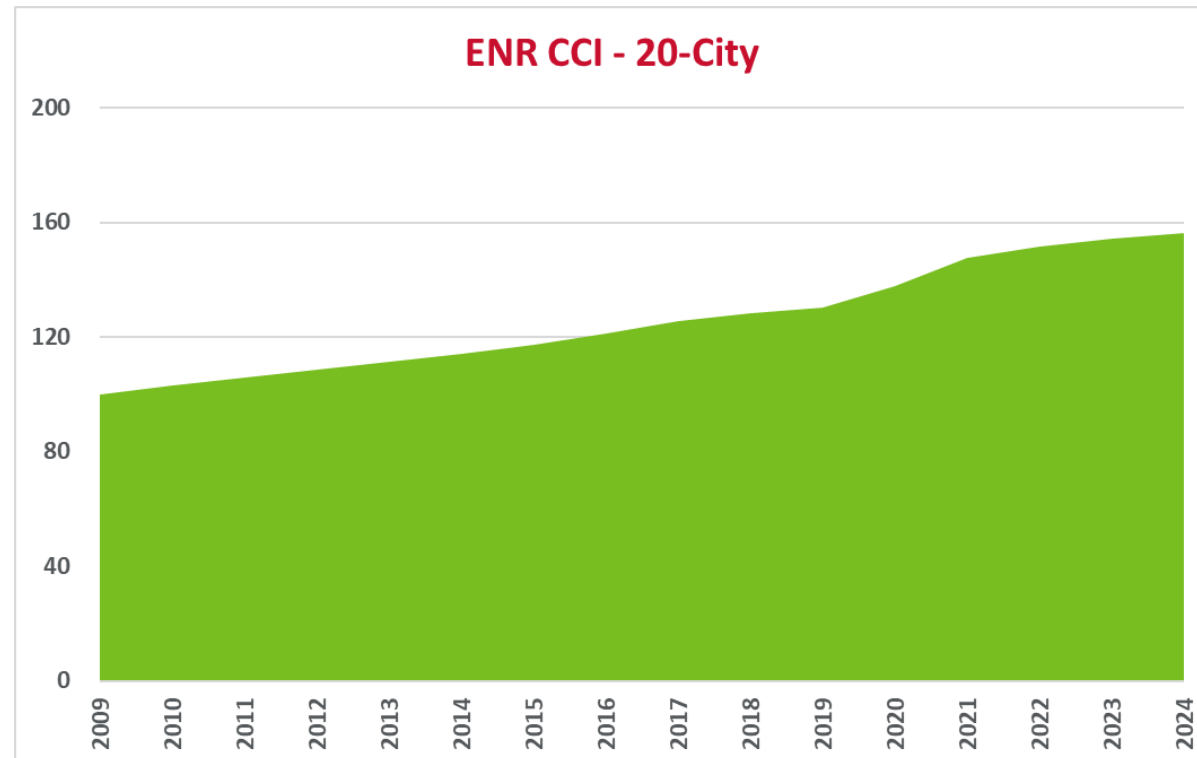
Goals Total / Desired Input

- Direction on the alternatives
 - Base Case
 - Debt Reserve Scenario
- Confirmation of implementation schedule
 - Hearing 12/10/25
 - Rates effective 1/1/26



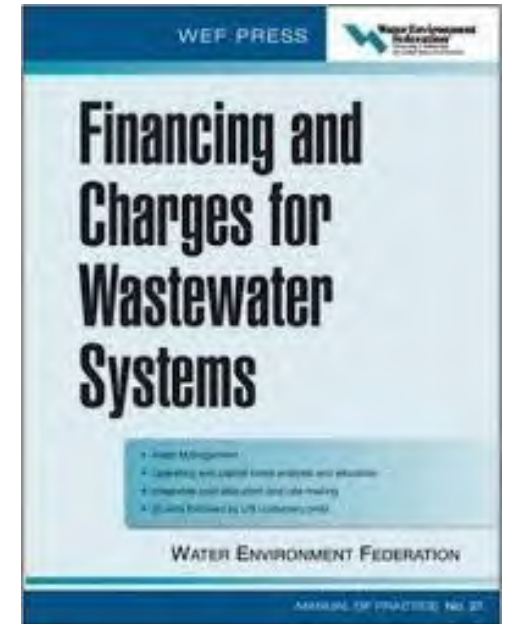
History of the City's Sewer Rates

- Last time the sewer rates were adjusted was 2009
 - Inflation calculator estimates 50.4% cumulative increase in costs since 2009
- Average water and sewer rate increases are typically more than the rate of inflation (4.5%-5.5% per year)



Purpose of the Study

- Provide sufficient revenue to operate and maintain the City's sewer utility infrastructure
- Develop cost-based and proportional rates that reflect customer and system characteristics
- Reflect prudent financial planning criteria
 - Funding capital improvement needs
 - Maintain target minimum reserve levels
 - Meet debt service coverage requirements
- Develop the Study using generally accepted methodologies tailored to the City's system and customer characteristics



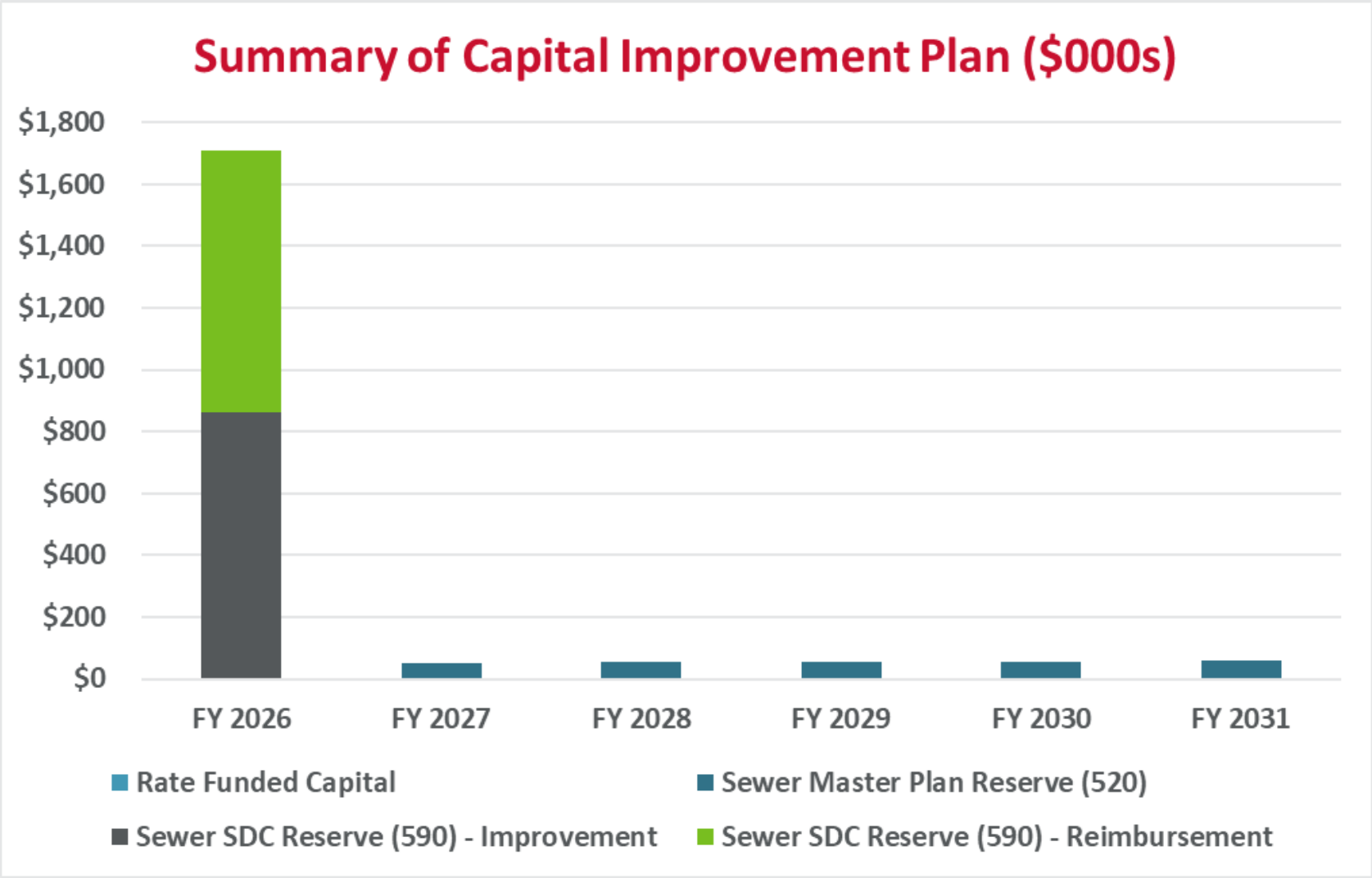
Key Inputs

- Customer Growth expected to remain flat
- O&M costs based on FY 2026 budget
- Funding capital projects (FY 2026 – FY 2035) - \$2.2M
 - Sewer improvements = \$537,000 total
 - Sewer SDC Improvements = \$1.7M in FY 26
- Maintain Reserve Levels
 - Sewer Debt Reserve – Beginning Balance \$1M

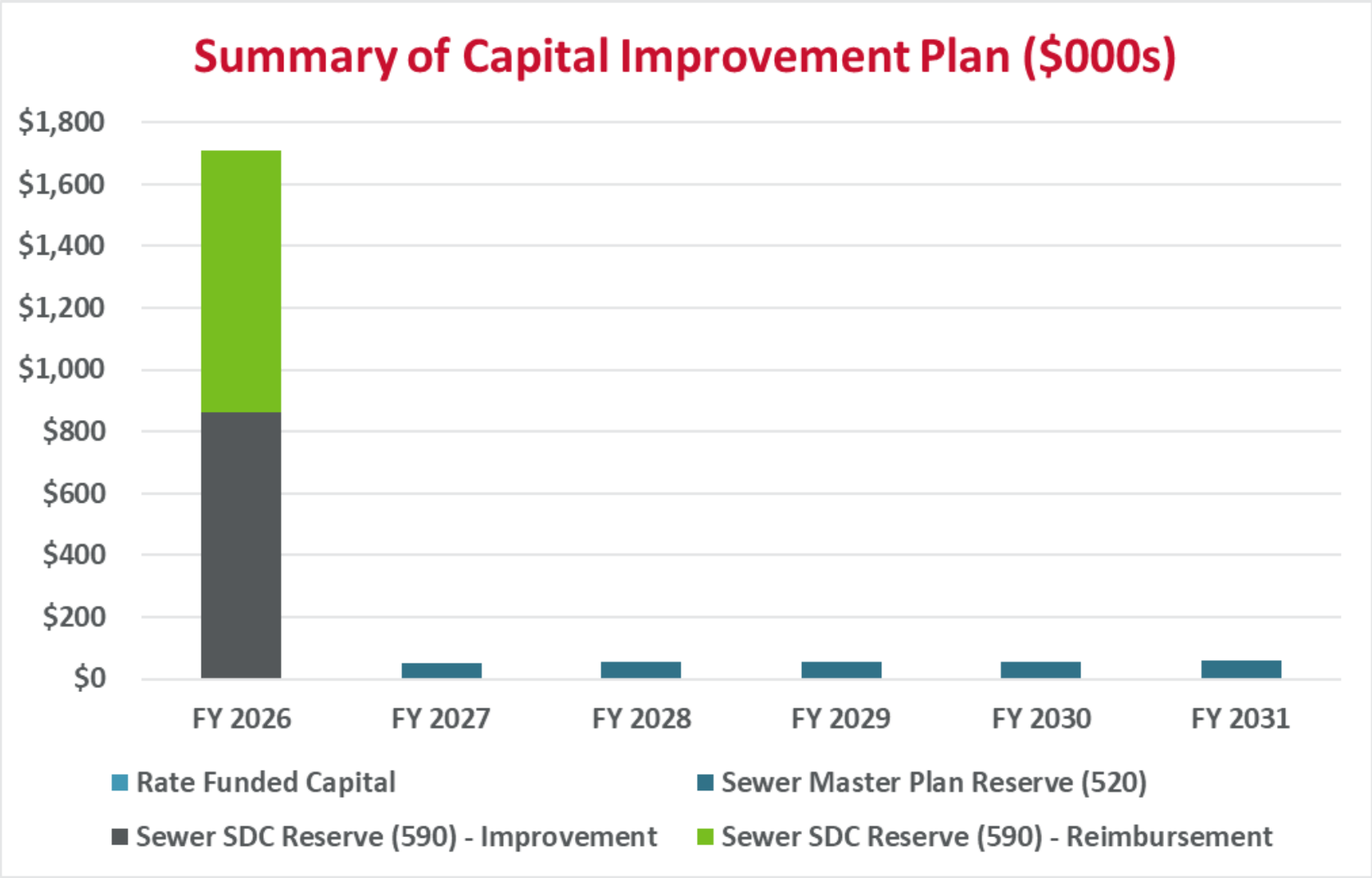
Revenue Requirement Analysis



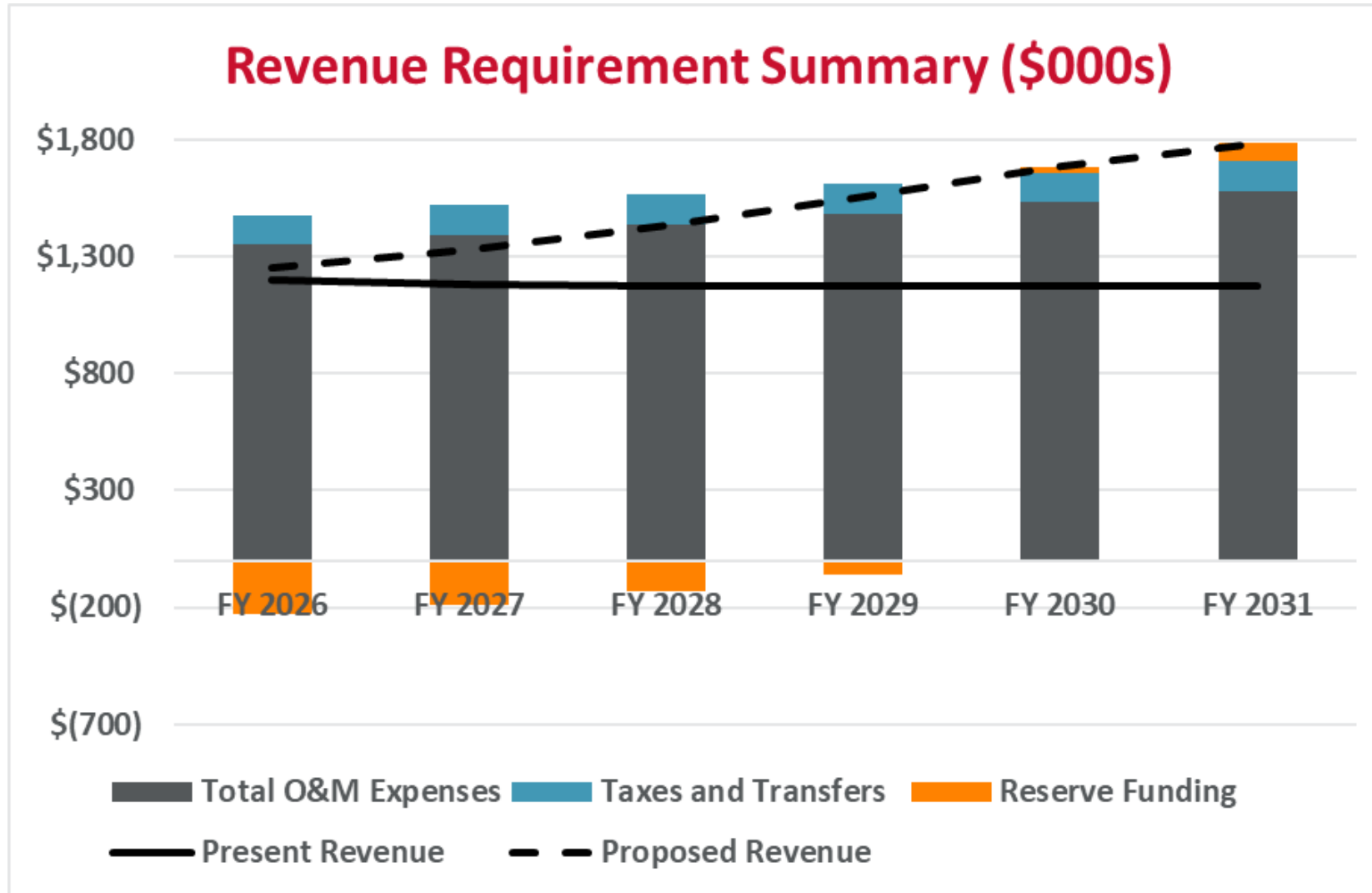
Capital Improvement Plan – Base Case



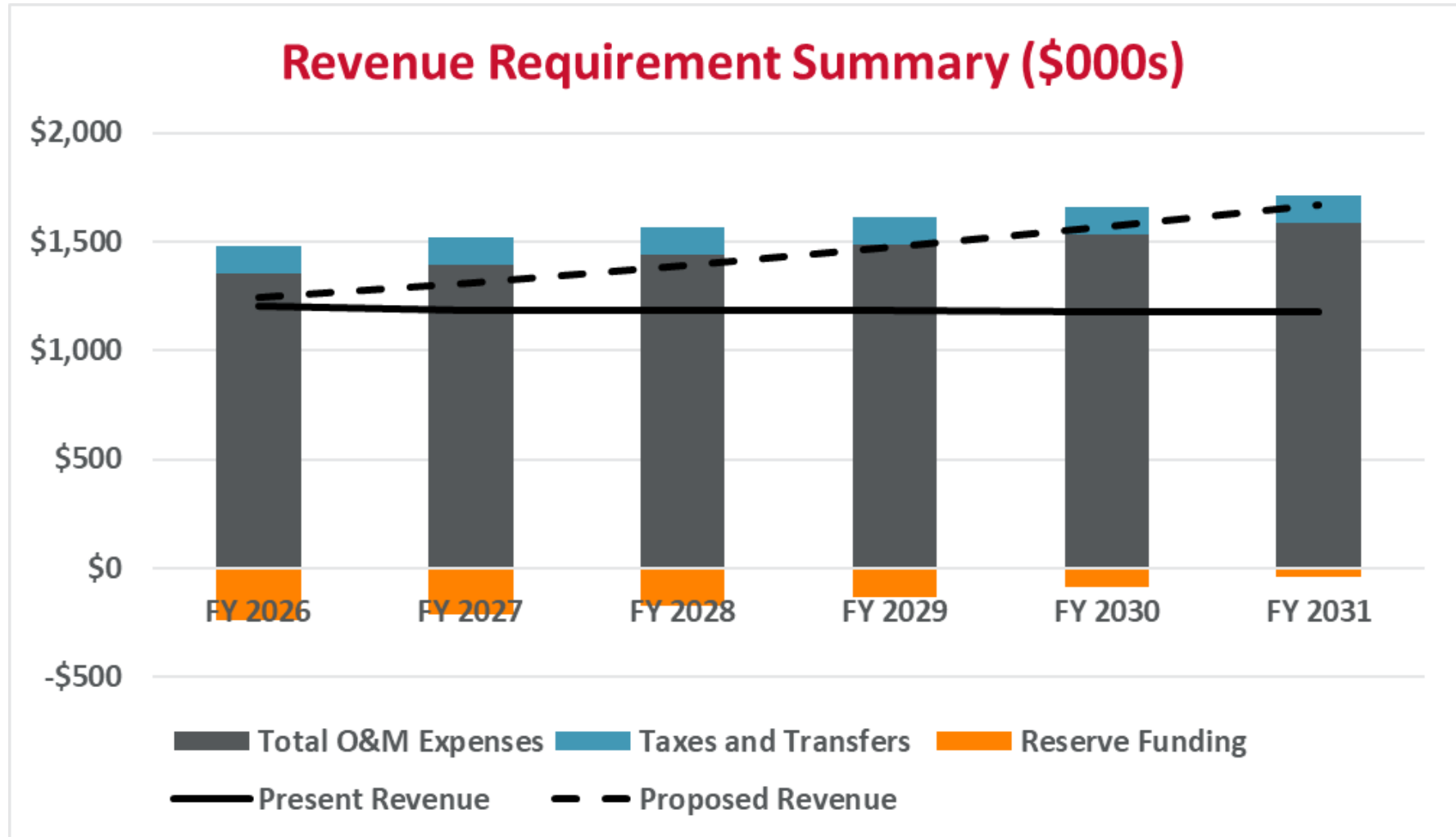
Capital Improvement Plan – Debt Reserve Scenario



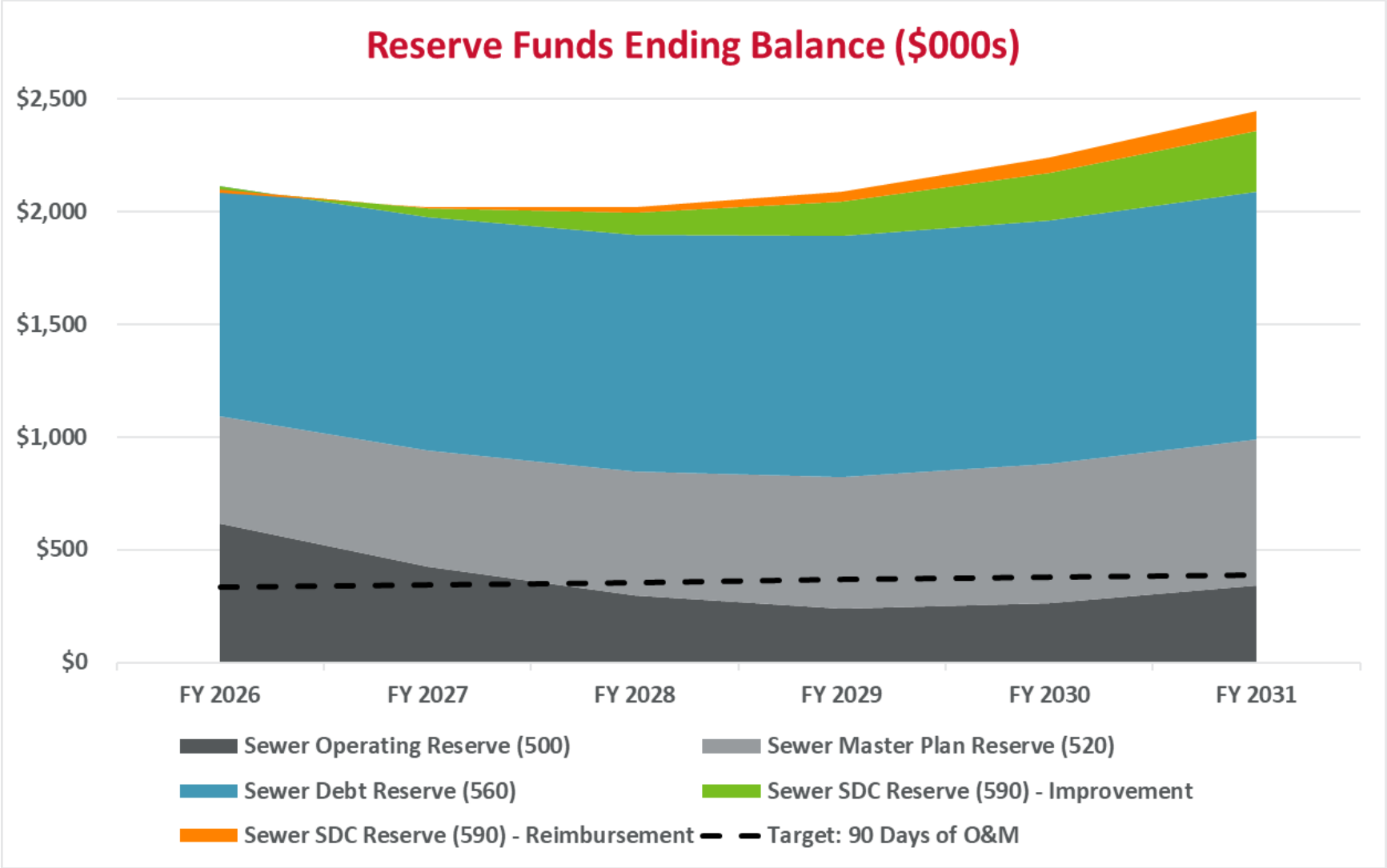
Revenue Requirement – Base Case



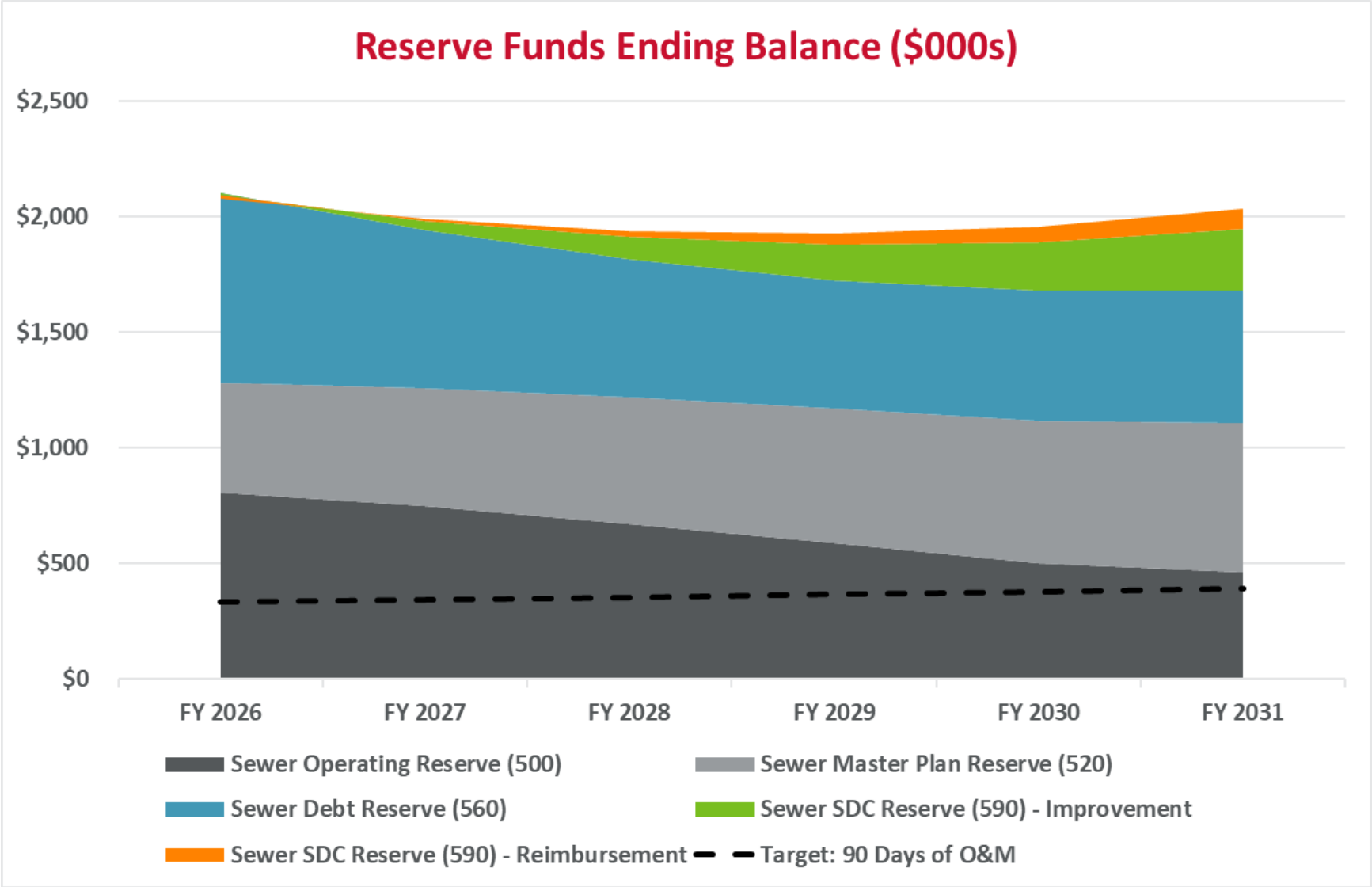
Revenue Requirement – Debt Reserve Scenario



Reserve Levels – Base Case



Reserve Levels – Debt Reserve Scenario

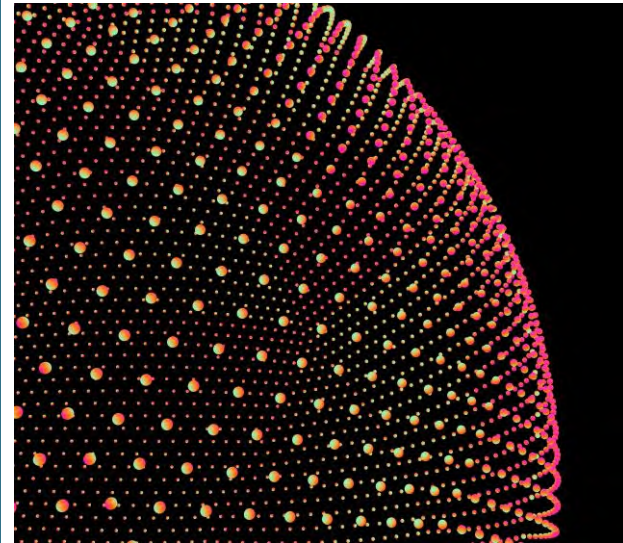


Revenue Requirement Summary

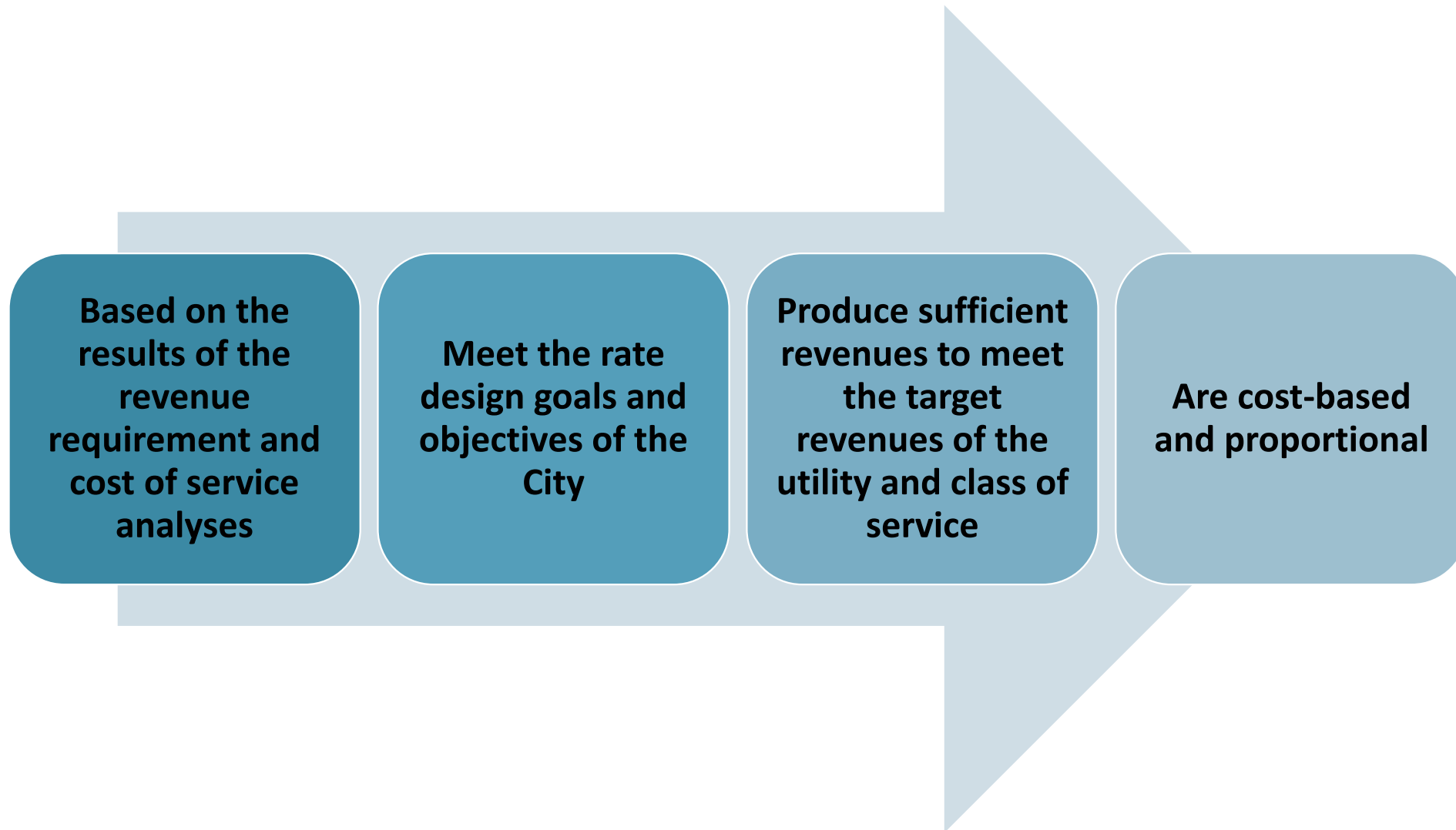
- Annual rate adjustments are necessary to prudently fund the utilities
 - **O&M** – current and future costs
 - **Capital** – increase rate funding for renewal and replacement projects
 - **Reserves** – cash flow, emergency situations, and strong financials

	Present Rates	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Case						
Avg Customer Bill	\$50.80	\$55.12	\$59.80	\$64.89	\$70.40	\$76.39
Annual Monthly Change	--	4.32	4.69	5.08	5.52	5.98
Debt Reserve Scenario						
Avg Customer Bill	\$50.80	\$54.36	\$58.16	\$61.94	\$65.97	\$70.26
Annual Monthly Change	--	3.56	3.80	3.78	4.03	4.29

Rate Design



Rate Design - Overview



Proposed Rate Design

- **Rate Design Options**

- **Base Case** - Maintain current rate structure (across the board adjustments)
- **Debt Reserve Scenario** – Maintain current rate structure, utilize debt reserve funds to lower the rate impact on customers

- **Other Rate Considerations**

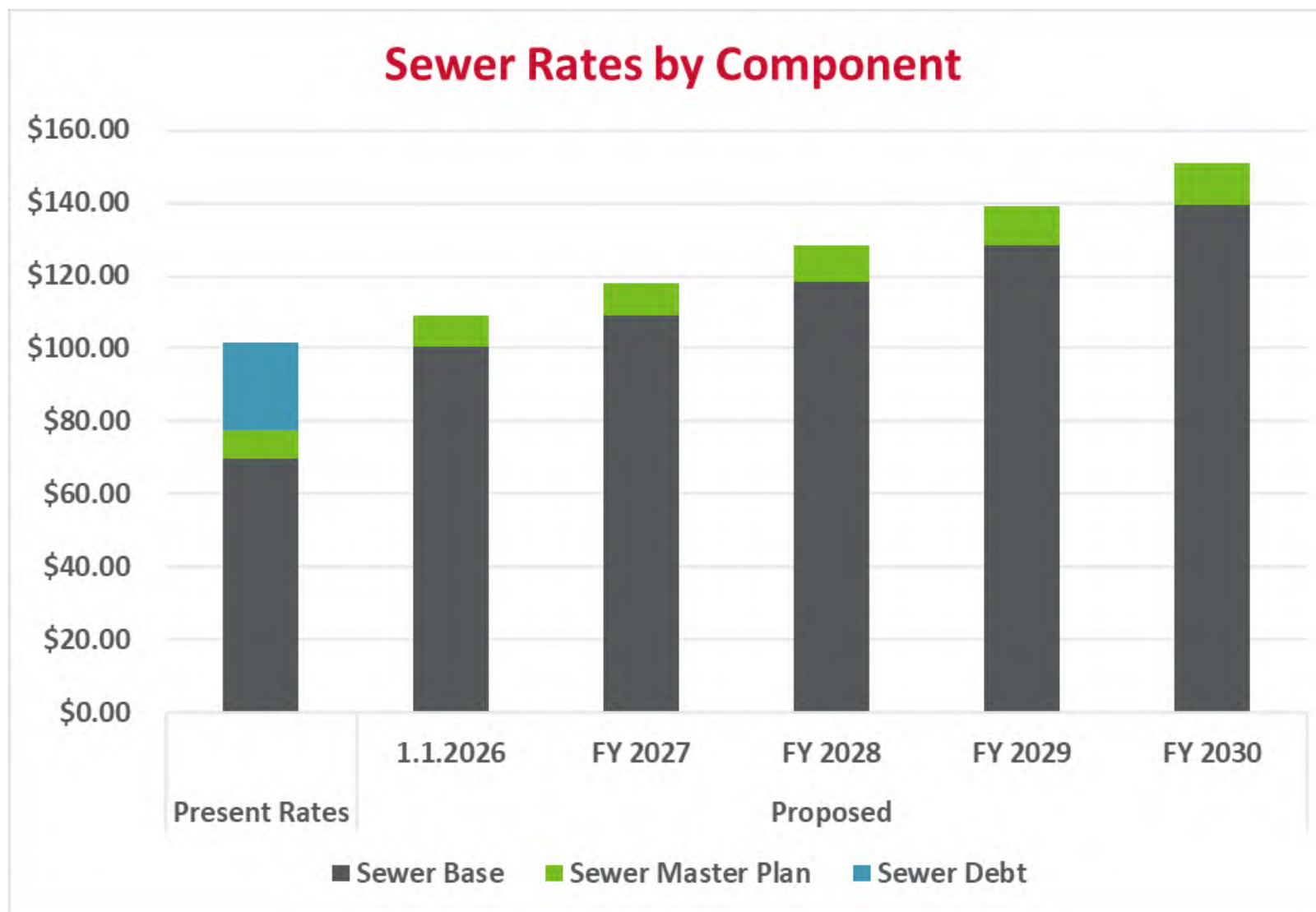
- Billing by class – deemed not a significant driver with limited commercial
- Short-term rental – was not a significant difference in total costs (exception is volume related)

JC1

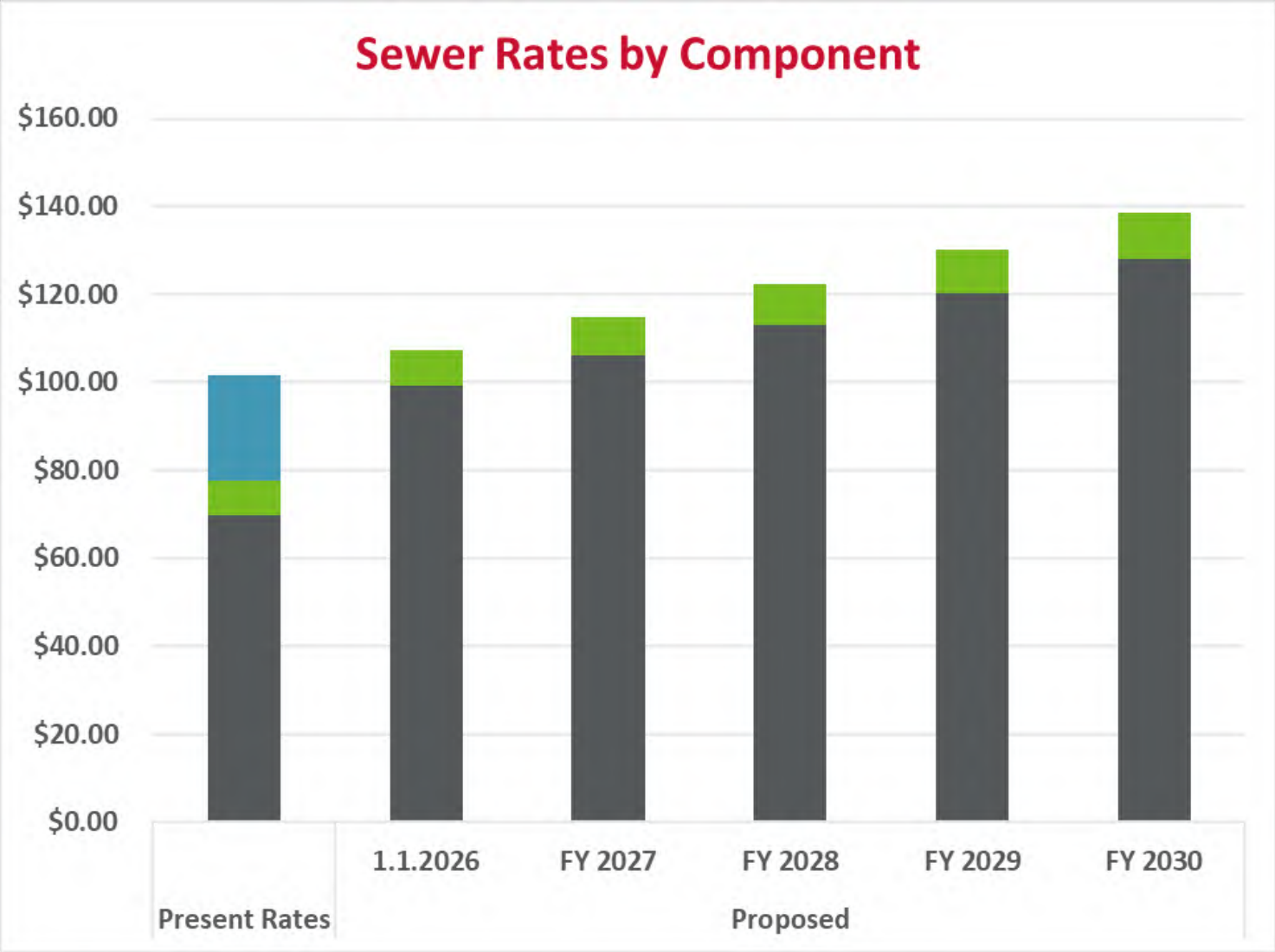
Rate Design

	Present Rates	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Case	<i>\$ / Bi-Mo</i>					
Sewer Base	\$69.90	\$100.50	\$109.00	\$118.30	\$128.40	\$139.30
Sewer Master Plan	7.70	8.40	9.10	9.90	10.70	11.60
Sewer Debt	24.00	0.00	0.00	0.00	0.00	0.00
Debt Reserve Scenario						
Sewer Base	\$69.90	\$99.10	\$106.00	\$112.90	\$120.20	\$128.00
Sewer Master Plan	7.70	8.20	8.80	9.40	10.00	10.60
Sewer Debt	24.00	0.00	0.00	0.00	0.00	0.00

Rate Design – Base Case (Bi-Monthly)

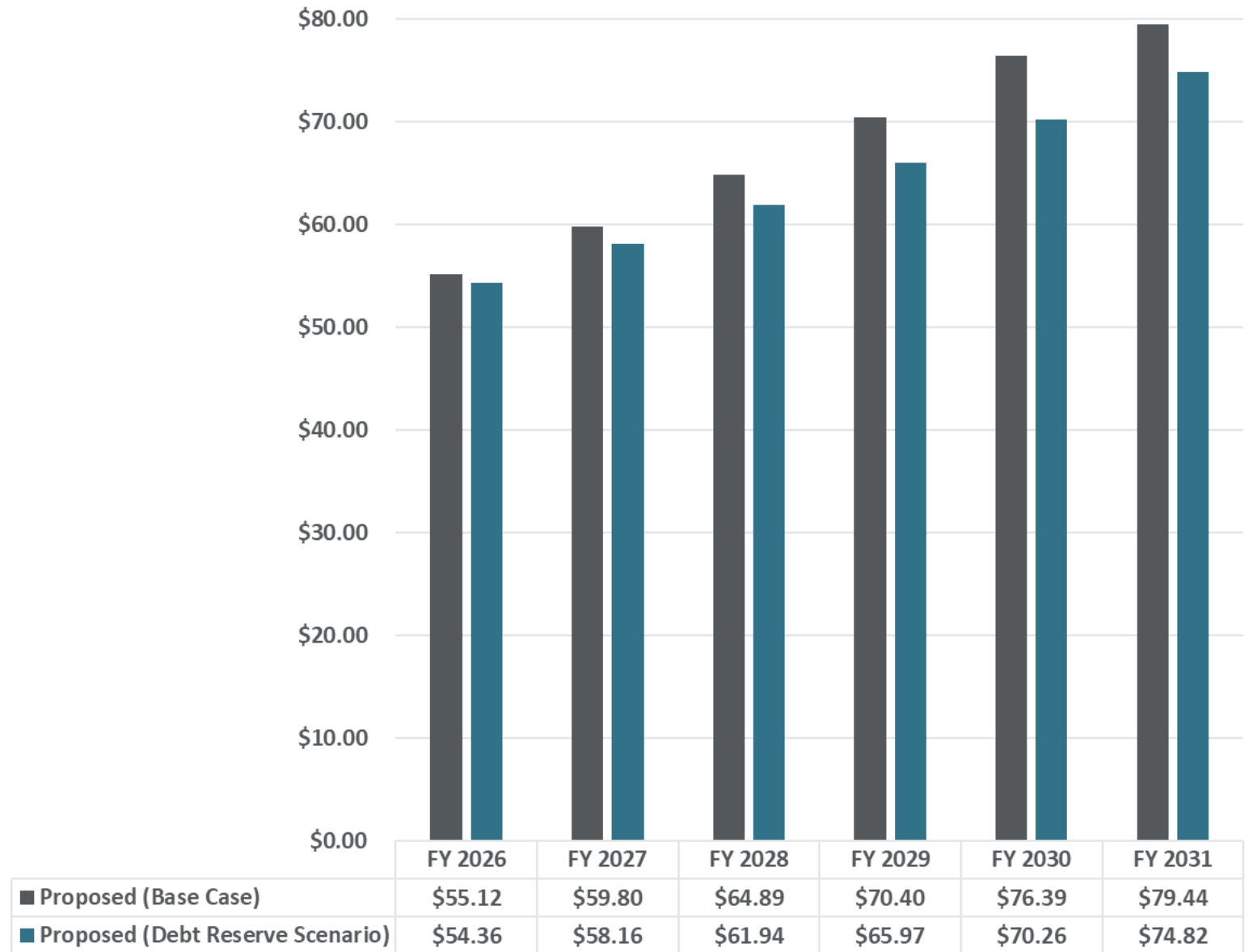


Rate Design – Debt Reserve Scenario (Bi-Monthly)

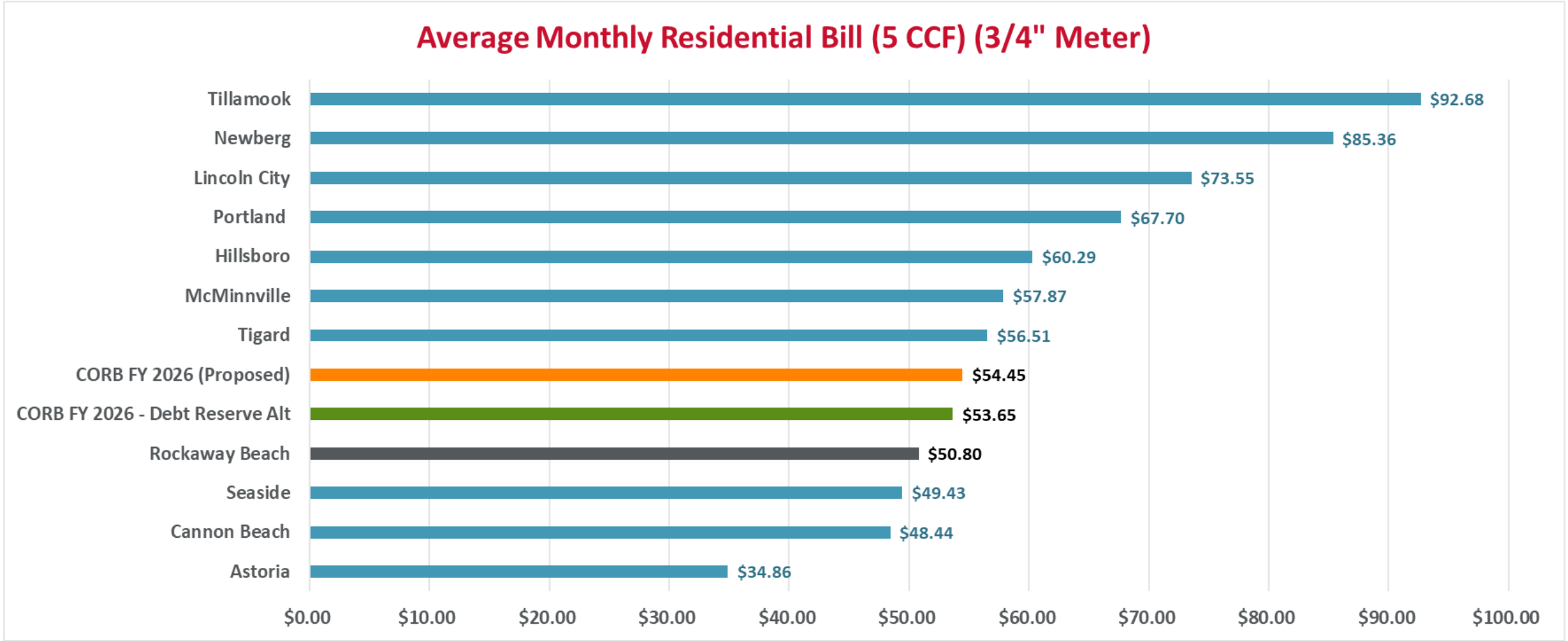


Sewer Bill Impacts

Residential Bill Comparison

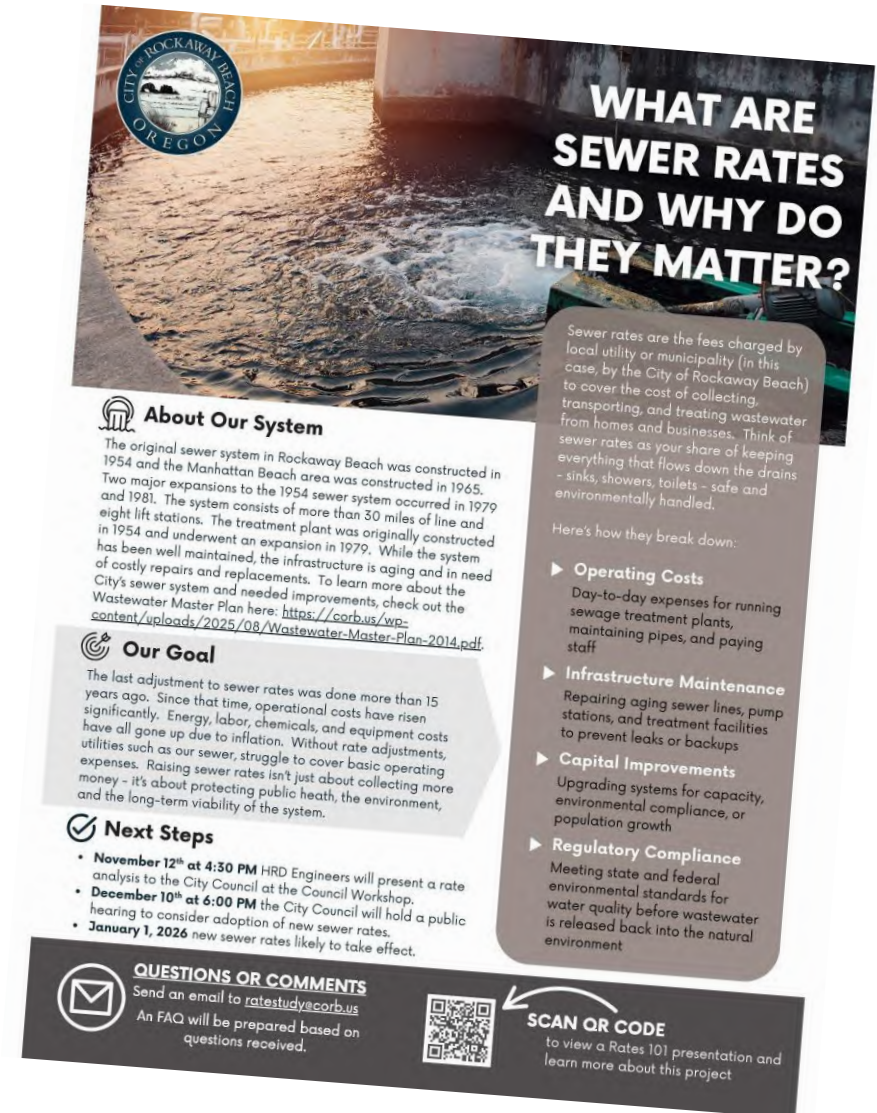


Local Sewer Utility Comparison



Public Outreach Efforts

- Flyer sent out to the public (9/11, 9/29, and 10/30)
- Website
 - Unique landing site linked from the City's home page
 - Downloadable flyers that were mailed out
- Rates 101 presentation (July 16th, 2025)



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Next Steps

- Receive Council feedback and input on alternatives
- Finalize technical analysis and written report
- Implement new rates January 1, 2026



Thank you for you time! Questions and Discussion



November 12, 2025

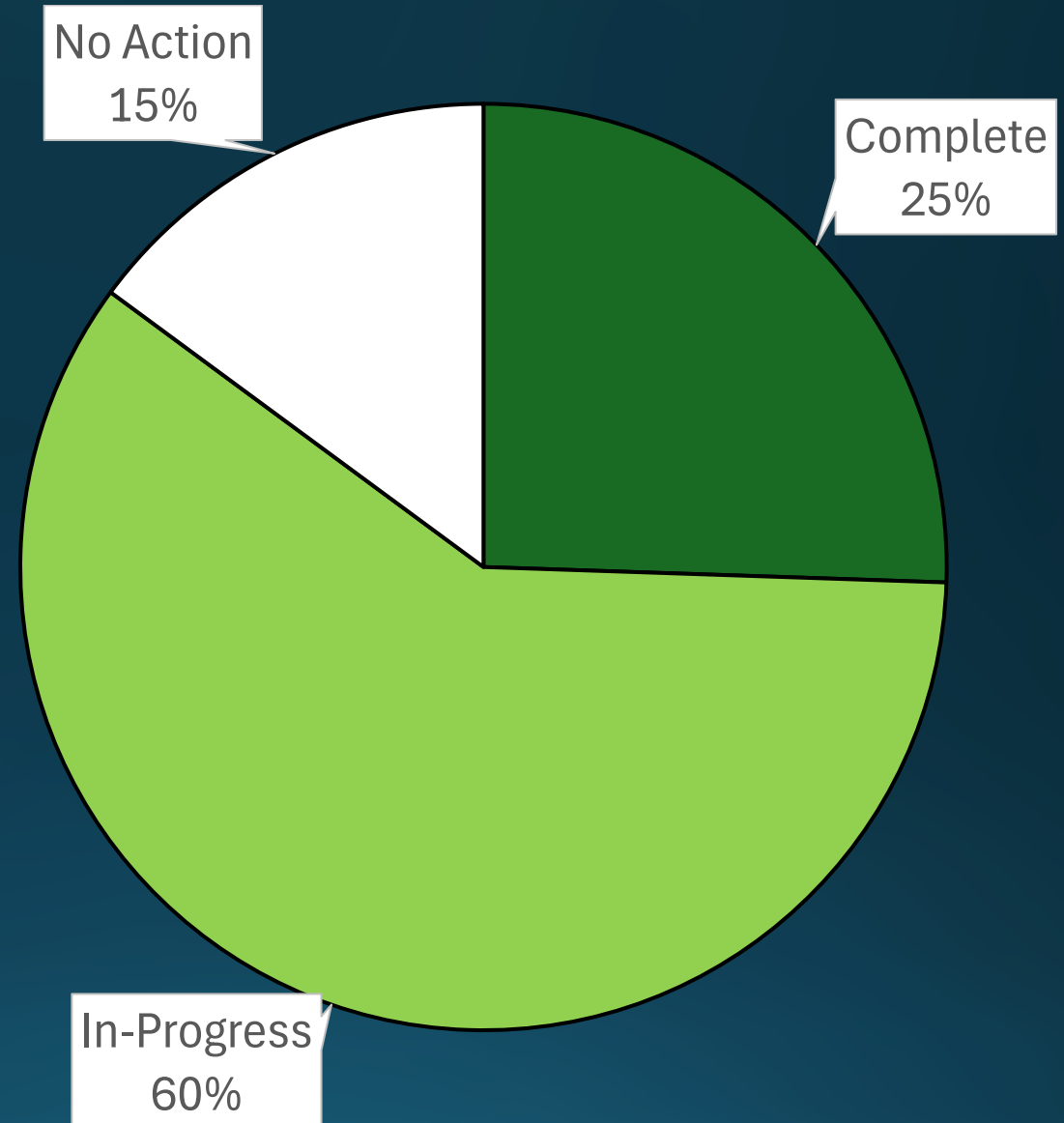
Rockaway Beach City Council Workshop



Goal Action Status

Total Goal Actions: 47

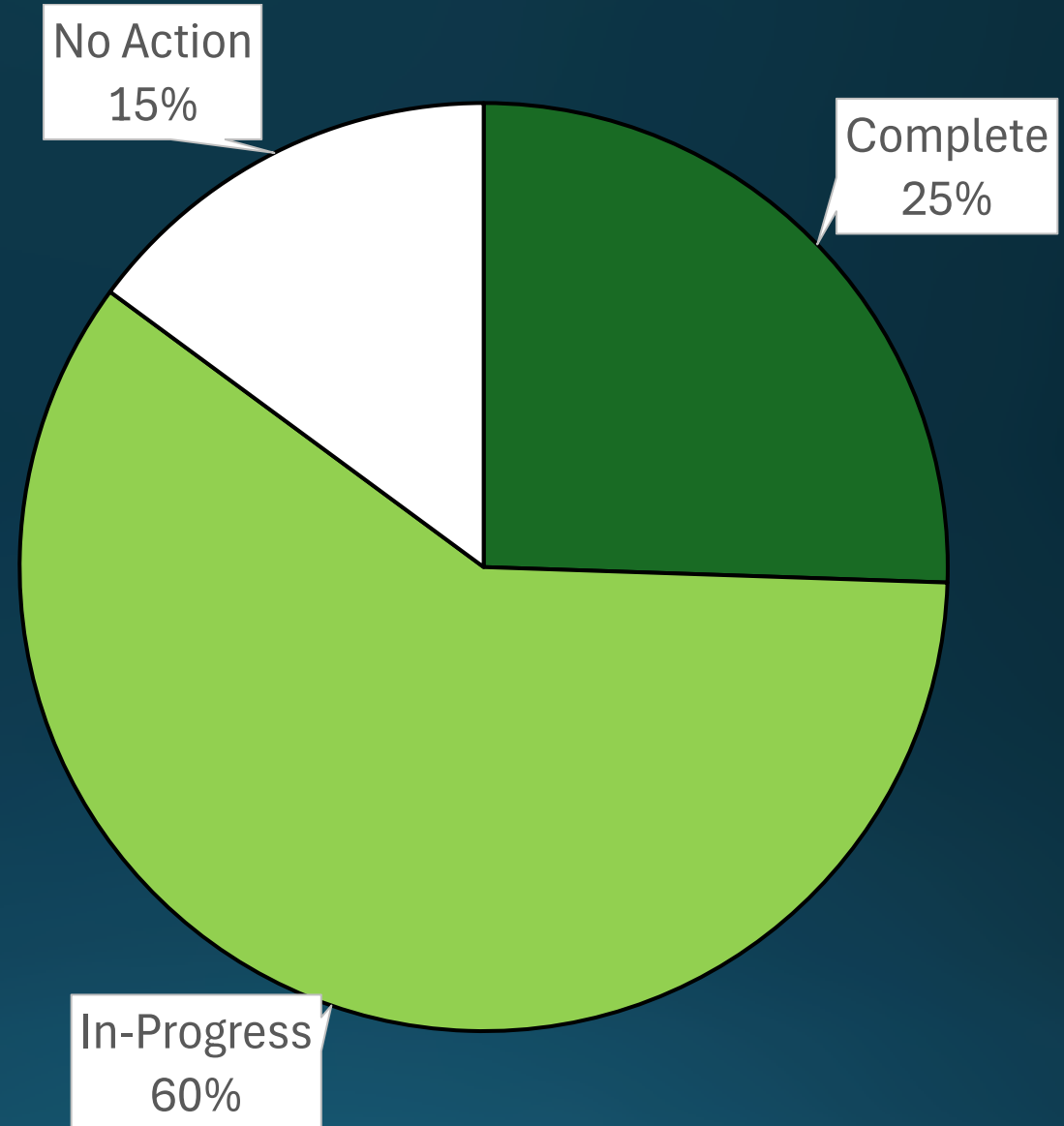
- Complete
- In-Progress
- No Action



Goal Action Status

Highlights:

- Davids Chair MOU
- Implementation of recycling program city-wide
- Identify Funding for Jetty Creek Watershed Acquisition
- Promote Small Business Grants
- Pursue State and Federal Grants
- Attract Businesses to Rockaway Beach
- Mitigate Flooding through Implementation of Flood Plan



Goal Action Status

Challenges:

State/Federal Funding Freeze

- Update Transportation Plan
- Complete Salmonberry Trail
- Funding for High-Ground Proj.

Increasing Service Demands and Unfilled Patrol Position

- Align Staffing with community wants and needs
- Achieve Full Staffing for Rockaway Beach Patrol

TCVA Reorganization

- Events and Activities to support Shoulder season
- Enhance Partnerships for workforce training and education
- Promote small Business grants (Facade Grants)

Business District Development Constraint

- Economic Development Plan vs. Parking Improvement and Expansion