



# Board Agenda Item 31

DATE: July 18, 2023

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: State Local Fiscal Recovery Funds Subrecipient Agreement with The Twenty-First District Agricultural Association

## RECOMMENDED ACTION(S):

**Approve and Authorize the Chairman to execute Subrecipient Agreement for ARPA-SLFRF with The Twenty-First District Agricultural Association in the amount of \$205,000 that will provide funding assistance in support of the Big Fresno Fair which is responsive to the negative economic impacts to the local tourism, travel, and hospitality industry, and supports a strong and equitable recovery from the COVID-19 pandemic and economic downturn**

Approval of the recommended action will allocate \$205,000 of ARPA-SLFRF to The Twenty-First District Agricultural Association (Subrecipient) to provide funding assistance to upgrade the air handling equipment in their satellite wagering facility, administration office, the Fresno County Historical Museum, which responds to the negative economic impacts to the local tourism, travel, and hospitality industry, specifically the Big Fresno Fair, and supports a strong and equitable recovery from the COVID-19 pandemic and economic downturn. While the site is located in District 3, the benefits are countywide.

## ALTERNATIVE ACTION(S):

If your Board were not to approve the recommended actions, SLFRF would not become available to the Subrecipient to address negative economic impacts of the pandemic on the Big Fresno Fair.

## FISCAL IMPACT:

There is no increase in Net County Cost associated with recommended action. Costs for the recommended action will be fully funded with ARPA-SLFRF. Sufficient appropriations are included in the Auditor-Controller/Treasurer-Tax Collector's FY 2023-24 Recommended Budget Org. 1033 - Disaster Claiming, Fund 0026, Subclass 91021, Account 7845.

## DISCUSSION:

The United States Department of the Treasury's (Treasury) Title 31, Code of Federal Regulations, Part 35 Coronavirus SLFRF Interim Final Rule ("Interim Final Rule") and Final Rule ("Final Rule") establish a framework for determining the types of programs and services that are eligible under the ARPA. SLFRF may be used for eligible activities under the following general categories:

- A. Respond to the COVID-19 public health emergency or its negative economic impacts;
- B. Provide premium pay for essential workers;
- C. Replace public sector revenue loss, subject to certain limitations; and
- D. Make necessary investments in infrastructure such as in water, sewer, and broadband.

The Final Rule permits SLFRF to be used to cover costs for eligible activities within the four general categories for the period that begins March 3, 2021, and ends on December 31, 2024. Recipients and its subrecipients, must return any funds to the Treasury which are not obligated by December 31, 2024, and any funds not expended to cover such obligations by December 31, 2026.

On February 1, 2022, your Board approved the Ad-Hoc Committee's expenditure plan which earmarked funds for proposals that may be funded either in whole or in part by the County's \$194,063,657 allocation of SLFRF. The approved expenditure plan included \$14,105,219 in SLFRF to be made available to qualifying subrecipients through a 30-day application solicitation period and selection review process. On June 21, 2022, your Board approved the earmarking of \$13,954,929 to provide funding to 22 subrecipient proposals, including the Subrecipient for negative economic impacts due the pandemic.

Under Section 602(c)(3) of the ARPA, the County may transfer SLFRF to a special-purpose unit of State or local government for eligible uses for the purpose of meeting ARPA's goals. The following section summarizes the recommended subrecipient agreement.

### **The Twenty-First District Agricultural Association - The Big Fresno Fair**

The Subrecipient is an entity of the California Department of Food and Agriculture's Division of Fairs and Expositions that hosts the Big Fresno Fair, a two-week annual event that attracts nearly 600,000 people to the Fresno Fairgrounds, located at 1121 S Chance Ave, Fresno, CA 93702 (Cedar and Butler Aves). The Big Fresno Fair showcases the region's agricultural heritage and vast industry through exhibits and educational attractions. The events at the fairgrounds generate an economic impact of more than \$77.1 million to Fresno County annually.

The Subrecipient represents that due to the pandemic, the 2020 Fair was scaled down, including canceling concerts and converting to a drive-thru model to meet COVID-19 guidelines and restrictions. Subsequent Fairs saw increased costs to meet these requirements through upgrading to touchless ticketing and payment systems, sinks, soap dispensers, sanitizers, and paper towel dispensers, as well as to secure personal protective equipment for employee and upgrade suite HVAC filtration systems.

SLFRF provided under the recommended Agreement is intended to respond to the negative economic impact to the impacted tourism, travel, and hospitality industry, and to support a strong and equitable recovery from the COVID-19 pandemic and economic downturn. The SLFRF provided will help the Subrecipient recover from the negative economic impacts from the pandemic, as well as support and enhance local tourism, travel, and hospitality industries in Fresno County and contribute to an increase in revenue sales for numerous nonprofit organizations, local school districts, community-based organizations, local establishments, stores, hotels, restaurants, small business, and the local economy as a whole.

The recommended Agreement will provide funding assistance in support of the Big Fresno Fair by upgrading the air handling equipment in the satellite wagering facility, administration office, and County Historical Museum located at the Fresno Fairgrounds. The improvements to the HVAC system would improve air quality and help prevent the spread of Covid-19 in those facilities. Costs include design, construction, review, and administration to ensure that the indoor air quality of the buildings is maintained for operational use and upcoming events.

The Final Rule designates travel, tourism, and hospitality sectors as being impacted by the COVID-19 pandemic. Treasury provides the County broad flexibility to use SLFRF to aid and mitigate financial hardships, such as a decline in revenues to impacted industries resulting from the COVID-19 pandemic, as an eligible use of SLFRF.

### REFERENCE MATERIAL:

BAI #7, June 21, 2022  
BAI #3, February 1, 2022

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with The Twenty-First District Agricultural Association

CAO ANALYST:

Gavin Harrison