



# Board Agenda Item 43

DATE: November 7, 2023

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: State and Local Fiscal Recovery Funds - Subrecipient Agreement with Fresno City & County Historical Society

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute Subrecipient Agreement for American Rescue Plan Act - State Local Fiscal Recovery Funds (ARPA-SLFRF) with the Fresno City & County Historical Society (Subrecipient) in the amount of \$514,725, to help fund needed facility repairs and improvements to the learning spaces at the Kearney Mansion Museum & Gallery so that Subrecipient may safely reinstate in-person academic programs that benefit students, history researchers, and Kearney Park visitors, which is responsive to the negative social and economic impacts exacerbated by pandemic due to the required closures to indoor activities to contain the spread of COVID-19; and**
- 2. Authorize the County Administrative Officer, or designee to approve and execute written changes to line items in the project budget, which, when added together during the term of the Agreement do not exceed ten percent (10%) of the total maximum compensation payable to Subrecipient, and which do not result in any change to the maximum compensation amount payable to Subrecipient.**

Approval of the recommended actions will approve an agreement and allocate \$514,725 to the Subrecipient to fund repairs, restore exterior surfaces and interior spaces, and make improvements to the learning spaces in the Kearney Mansion Museum & Gallery. Under the recommended agreement, the Subrecipient will improve the Servants' Quarters, the Carriage House, the Icehouse, and the Archive rooms so that it may safely reinstate in-person academic programs that benefit students from kindergarten through twelfth grade from local area school districts, history researchers, and Kearney Park visitors, which will be responsive to the negative social impacts exacerbated by the public health emergency. Approval of the second recommended action will authorize the County's Administrative Officer or designee to consider and approve written requests for budget revisions within 10% of the maximum compensation. There is no Net County Cost associated with the recommended actions. This item pertains to a location in District 1.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended actions, SLFRF would not become available to the Subrecipient to help fund the facility improvements to the Kearney Mansion Museum & Gallery. The project will be delayed until another funding source is identified by the Subrecipient.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended actions. Costs for the recommended actions will be funded with ARPA-SLFRF. Sufficient appropriations are included in FY 2023-24 Adopted

Budget for Auditor-Controller/Treasurer-Tax Collector's Org. 1033 - Disaster Claiming, Fund 0026, Subclass 91021, Account 7845.

DISCUSSION:

In May 2021, the U.S. Department of Treasury (Treasury) published 31 Code of Federal Regulations Part 35 Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule ("Interim Final Rule") (for expenditures before April 1, 2022) and the Final Rule ("Final Rule"), which establish a framework for determining the types of programs and services that are eligible to receive SLFRF under the ARPA. The Final Rule became effective on April 1, 2022.

SLFRF may be used for eligible activities under four 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 those four general categories for the period that begins March 3, 2021, and ends on December 31, 2024. Recipients 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 \$5,000,000 for the Department of Public Works and Planning to implement the Kearney Park - Reclaimed Water Project under Category D, to make necessary investment in infrastructure.

The initial Kearney Park - Reclaimed Water Project was intended to fund the facility's connection to the City of Fresno's reclaimed water supply system to meet the park's long-range irrigation demand and to make improvements to the park's existing underground well system. However, upon closer investigation in drafting a scope of work, Public Works and Planning determined that there were several challenges that were not fully considered for the timely implementation of the Kearney Park - Reclamation Water project.

On April 25, 2023, your Board approved an amendment to the initial Kearney Park - Reclaimed Water Project's scope of work to instead fund recreation, park facility, and ground improvements to Kearney Park to be implemented by Public Works and Planning (\$4,485,275), and improvements to the Kearney Mansion Museum & Gallery to be implemented by the Subrecipient (\$514,725).

Under Section 602(c)(3) of the ARPA, the County may transfer SLFRF to nonprofit 501(c)(3) organizations for eligible uses for the purpose of meeting ARPA's goals. The following section summarizes the recommended agreement.

**Negative Economic Impact, Fresno City & County Historical Society**

The Subrecipient is a nonprofit organization that was founded in 1919, whose mission is to engage, inform and educate the public through collecting, preserving, and interpreting the stories, images, and cultural resources of Fresno County and the San Joaquin Valley. The Subrecipient educates individuals through exhibits and cultural resources available at the historic Kearney Mansion Museum & Gallery, a 119-year-old historical structure located at Kearney Park in Fresno County.

The Subrecipient holds records and artifacts that document the history of the people that helped shape Fresno County and the Central Valley and provides the community with educational opportunities through

programs, exhibitions, and community events. The Subrecipient's collections include items dating back to the Civil War era and the settling of California. The Subrecipient has created vast bodies of educational assets for use by students on-site and in the classroom and has hosted hundreds of events that allow students and visitors to explore the region's colorful history, including the history of the agriculture industry, migration to the San Joaquin Valley, and local resources. The Subrecipient offers several educational tours on Fridays, Saturdays, and Sundays, hosts private group tours, and partners with local school districts to facilitate field trip tours.

The Subrecipient represents that its academic programs are offered in four indoor learning spaces that are classroom-like settings: the Servants' Quarters, the Carriage House, the Icehouse, and the Archive building, which house the Subrecipient's materials, furniture, photos, artifacts, and collection exhibits, including historical items that are over 150 years old that shed light on the diverse cultures found in the Central Valley. The Subrecipient represents that its academic programs and services were negatively impacted by the COVID-19 pandemic due to the required closures to comply with the emergency public health orders to contain the spread of COVID-19, including but not limited to extended closures to the programs and educational resources that are available for students, guests, and program participants. Additionally, the Subrecipient represents that the extended closures eliminated the Subrecipient's primary sources of revenue, including course enrollment fees, field trip events, rental fees, and community fundraising events that annually help fund the Subrecipient's operation and ongoing maintenance needs to preserve and make the Kearney Mansion Museum & Gallery available for students and visitors.

Under the recommended agreement, SLFRF will provide funding assistance to the Subrecipient so that it may fund needed facility repairs, restore exterior surfaces and interior spaces, and make improvements to the indoor learning spaces in the Kearney Mansion Museum & Gallery consisting of: the Servants' Quarters, the Carriage House, the Icehouse, and the Archive rooms so that it may safely reinstate in-person academic programs that benefit students from kindergarten through twelfth grade from local area school districts, history researchers, and Kearney Park visitors, which will be responsive to the negative social impacts exacerbated by the public health emergency.

Under the recommend agreement, the modification clause includes language that would allow the Subrecipient to request the County's Administrative Officer or designee to consider and approve future written requests for budget revisions totaling up to 10% of the maximum compensation, with no change to the maximum compensation. This will improve flexibility for the Subrecipient and the County in administering the grant funds during the program term.

The Final Rule presumes that generally all households and populations experienced negative impacts due to the pandemic, in particular recipients may use SLFRF to address impacts of lost instructional time for students in kindergarten through twelfth grade, any students who did not have access to in-person instruction for a significant period of time, and households and populations in low and moderate- income areas, which are eligible uses for SLFRF under ARPA.

REFERENCE MATERIAL:

BAI #41, April 25, 2023  
BAI #3, February 1, 2022

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Fresno City & County Historical Society

CAO ANALYST:

George Uc