



# Board Agenda Item 29

DATE: October 24, 2023

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: State Local Fiscal Recovery Funds - Subrecipient Agreements with:  
- Auberry Sawmill, Inc.  
- Westside Family Preservation Services Network  
- Valley Center for the Blind  
- Fresno Area Hispanic Foundation

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 Auberry Sawmill, Inc. in the amount of \$140,000 to address negative economic impacts of the pandemic on small business, provide job training opportunities, and provide emergency relief for disaster preparedness by providing funding to restore three-phase power to the sawmill; and**
  - a. **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 Auberry Sawmill, Inc.; and**
2. **Approve and authorize the Chairman to execute Subrecipient Agreement for ARPA-SLFRF with Westside Family Preservation Services Network in the amount of \$349,039, to fund the extension of community violence intervention programs through the implementation of a Youth Empowerment Center in San Joaquin, which is necessary to assist and benefit area youth whose physical, mental health, and emotional needs were impacted by the pandemic in San Joaquin and neighboring rural communities; and**
  - a. **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 Westside Family Preservation Services Network; and**
3. **Approve and Authorize the Chairman to execute Subrecipient Agreement for ARPA-SLFRF with Valley Center for the Blind in the amount of \$50,000, to increase service level capacity to provide transportation for individuals with disabilities, blindness, and vision impairments to attend medical appointments, work, and access to other community resources through the Subrecipient's transportation program; and**
  - a. **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 Valley Center for the Blind; and**

- 4. Approve and Authorize the Chairman to execute Subrecipient Agreement for ARPA-SLFRF with Fresno Area Hispanic Foundation in the amount of \$500,000 to address negative economic impacts of the pandemic by providing technical assistance focused on the areas of licensing, permits, financial management, and marketing and start-up and expansion grants to impacted small businesses and individuals, which will assist eligible participants to fund a portion of the cost to purchase mobile food carts or fund improvements of a mobile vendor cart to meet the requirements of the Department of Public Health; and**
  - a. 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 Fresno Area Hispanic Foundation.**

Approval of the recommended actions will allocate \$140,000 of SLFRF to the Auberry Sawmill to address negative economic impacts of the pandemic on small business and provide emergency relief by assisting with emergency preparedness and natural disaster mitigation; \$349,039 to Westside Family Preservation Services Network to fund community violence intervention programs by implementing a youth empowerment center in the City of San Joaquin; \$50,000 to Valley Center for the Blind to address negative economic impact of the pandemic to individuals with disabilities by increasing transportation service capacity and availability for individuals with disabilities, blindness, and vision impairments; and \$500,000 to Fresno Area Hispanic Foundation to address negative economic impacts of the pandemic to the mobile food vendor industry in Fresno County. Each of the recommended actions have a corresponding action that, if approved, will delegate limited signature authority to the County Administrative Officer or designee to consider and approve written requests for budget revisions that do not exceed a maximum 10% of the maximum compensation under each recommended agreement, if requested. The benefits of these items are countywide.

ALTERNATIVE ACTION(S):

If your Board were not to approve the recommended actions, SLFRF would not become available to Auberry Sawmill, Westside Family Preservation Services Network, Valley Center for the Blind, or Fresno Area Hispanic Foundation to address the public health emergency or its negative economic impacts due to the pandemic to programs that assist small businesses, help communities impacted by increased community crimes and violence, or help individuals with disabilities. Your Board could also determine not to approve one or more of the corresponding actions, in which case your Board would need to consider and approve any modifications to each of the recommended actions.

FISCAL IMPACT:

There is no increase in Net County Cost associated with recommended actions. 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:

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 August 22, 2023, your Board approved the Second Round Award List, which earmarked \$4,225,000 of ARPA-SLFRF funds for proposals that may be funded either in whole or in part by the County's allocation of SLFRF. The approved Second Round Award List included the Auberry Sawmill, Inc. (\$140,000), Westside Family Preservation Services Network (\$349,039), Valley Center for the Blind (\$50,000), and Fresno Area Hispanic Foundation (\$500,000), for programs that are responsive to the public health emergency, or its negative economic impacts due to the pandemic.

Section 602(c)(1)(A) of the ARPA, the County may transfer SLFRF to small businesses for Eligible Uses, to respond to the public health emergency or its negative economic impacts. Under Section 602(c)(3) of the ARPA, the County may transfer SLFRF to nonprofit organizations and small business for eligible uses for the purpose of meeting ARPA's goals.

#### **Auberry Sawmill, Inc., Economic Impact Assistance**

Auberry Sawmill is a small business in the unincorporated community of Auberry. The Auberry Sawmill had six employees and contractors during its operation at the beginning of March 2021 through its September 2021 closure. The Auberry Sawmill represents that there are currently no other sawmill operations within 130 miles of the County that can help address the needs in forest management, help improve the wood supply chain by converting raw materials into lumber production and improve disaster preparedness by removing dead trees and mitigating the volume of potentially combustible fuels in the Sierra National Forrest.

To come back online and into full production, the Auberry Sawmill needs equipment and supplies that will allow three-phase power to be restored to the sawmill site. This will not only create and preserve highly skilled labor but will provide emergency relief by mitigating future disaster through forestry management, which if left unmanaged increases fire hazards. As a small business during the pandemic, the Auberry Sawmill was unable to secure credit or loan assistance as a "startup business" due to lack of funding availability for sawmills or similar industries in the area.

Under the recommended agreement, SLFRF will address the negative economic impacts on a small business and provide emergency response and disaster preparedness by providing funding for the design, engineering, purchase of supplies and equipment, and installation of a three-phase power supply necessary to enable the long-term sustainability of the Auberry Sawmill's operation.

#### **Westside Family Preservation Services Network, Youth Empowerment Center**

The Subrecipient currently operates five Youth Empowerment Centers (YEC) that provide a range of prevention, wellness, and recovery focused activities for individuals in need in the rural communities of Huron, Coalinga, Kerman, Mendota, and Firebaugh, under contract with the County of Fresno's Department of Behavioral Health. The City of San Joaquin has offered space to the Subrecipient for the development of a YEC program that will target youth and young adults and provide positive mentorship, life coaching, and promote leadership and life skills for participating youth, with support from the Parent Partners and a Program Supervisor. The YEC will specifically provide violence intervention activities and community programs in the following arenas: health and fitness, relationship violence, bullying and homelessness, employment, workplace skill building, education accomplishment, mindfulness and stress management,

restorative justice and conflict mediation, and social services and benefit navigators for participants and their families. These services will help stabilize public safety in San Joaquin by identifying and assisting with emotional and mental health challenges for youth and will provide a hub for resources and referrals for the families of the youth that participate in the YEC program.

Under the recommended agreement, SLFRF will address the negative economic impacts of the pandemic by funding the extension of the Subrecipient's YEC program in San Joaquin, which will assist the Subrecipient with staffing the YEC, acquiring necessary program supplies, professional services and educational materials needed to achieve a successful program. The YEC program will provide extended resources and services that will address social, emotional and physical wellness to all prospective participants regardless of income, race, gender, and physical and/or mental disability, and will benefit youth and residents in San Joaquin and neighboring rural communities who historically have been under-resourced and who are from low and moderate-income households that have been negatively impacted by the pandemic.

The Final Rule recognized that public health challenges exacerbated by the pandemic resulted in an increase in community violence, violent crimes, and gun violence, therefore community violence intervention programs in all communities, not just disproportionately impacted communities, is an enumerated eligible use of SLFRF and responsive to the impacts of the pandemic in all communities.

#### **Valley Center for the Blind, Increase Service Capacity for the Disability Equity Project**

Established in 1973 Subrecipient's specific purpose is to assist blind and visually impaired individuals to experience more independent and opportunity-filled lives. The Subrecipient provides support, rehabilitation services, and outreach efforts to employ people who are blind and visually impaired so they can achieve their goals regardless of their disability and overcome obstacles to secure personal mobility and autonomy in the community.

Under the recommended agreement, SLFRF is intended to support a strong and equitable recovery from the COVID-19 pandemic and economic downturn by providing funding assistance so that the Subrecipient may increase the service capacity to the Disability Equity Project, a collaboration including the Subrecipient and the County, which will benefit individuals with disabilities, including people who are blind or those with vision impairments, with access to a more effective and reliable means of transportation designed to help them attend medical appointments, social services, promote mental health and wellness, take part in work and job opportunities, and address the specific challenges in transportation faced by the blind and those with vision impairment in Fresno County.

The 2022 Final Rule recognizes assistance to individuals who want or are available to work, including job training, public jobs programs and fairs, and transportation to and from a jobsite or interview as an eligible use of SLFRF, and responsive to the public health emergency or the negative economic impacts of the pandemic.

#### **Fresno Area Hispanic Foundation, Mobile Food Vendor Program**

Since 2002, the Fresno Area Hispanic Foundation's primary purpose has been to promote education and self-sufficiency in the Hispanic business community within the Central Valley by providing resources to individuals in business management or help to individuals interested in entrepreneurship including, but not limited to: technical assistance, educational workshops, loan programs, networking events, and operating as a business incubator that helps to meet the needs of the growing small business community.

The Subrecipient represents that it works closely with the local mobile food vendor industry, which historically has been underrepresented, with limited access to resources to help existing vendors and/or entrepreneurs navigate through the governmental permitting processes, limited support for food vendors, or help for individuals to pursue financial assistance or to obtain proper permits and licensing requirements to

operate or start a mobile food vending business in the County. Under the recommended agreement, SLFRF will fund the capacity increase of the Mobile Food Vendors Program, which provides technical assistance to eligible small businesses, microbusinesses, food vendors, and prospective vendors. The Subrecipient is initiating a pilot program that will build a mobile food cart designed to meet the safety requirements of the Department of Public Health, streamline the permitting process for individuals interested in becoming mobile food vendors, provide financial and technical assistance and training, and provide financial grants to individuals and small businesses to purchase a mobile food vending cart or fund improvements of a mobile food vendor cart to meet the requirements of the Department of Public Health. The Subrecipient's marketing and outreach activities will target and provide preference to small business and microbusiness owners, small businesses that operate or plan to operate in rural and unincorporated communities, small businesses and entrepreneurs of color, women-owned businesses, and other businesses in historically underserved communities.

The Treasury observes that small businesses faced widespread challenges due to the pandemic, including periods of shutdown, decline in revenue, increased costs, or lack of access to capital. Small businesses faced significant challenges in covering payroll, mortgages or rent, and other operating costs because of the public health emergency and compliance to health orders to contain the spread of COVID-19.

All the above recommended agreements include a modification clause that would allow the Subrecipients 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.

REFERENCE MATERIAL:

BAI #4, August 22, 2023  
BAI #9, November 8, 2022  
BAI #3, February 1, 2022

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Auberry Sawmill Inc.  
On file with Clerk - Agreement with Westside Family Preservation Services Network  
On file with Clerk - Agreement with Valley Center for the Blind  
On file with Clerk - Agreement with Fresno Area Hispanic Foundation

CAO ANALYST:

John Toepfer