



Board Agenda Item 41

DATE: April 25, 2023

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds
for Kearney Park

RECOMMENDED ACTION(S):

- 1. Approve proposed amendment to the County of Fresno's American Rescue Plan Act - State Local Fiscal Recovery Fund (ARPA-SLFRF) expenditure plan, approved on February 1, 2022, amending the scope of work for the earmarked Kearney Park - Reclaimed Water Project, Clean Water State Revolving Fund to be implemented by the Public Works and Planning Department, to instead fund recreation, park facility, and grounds improvements to Kearney Park and Kearney Mansion Museum, with no change in proposed funding;**
- 2. Approve the allocation of ARPA-SLFRF from Auditor-Controller/Treasurer-Tax Collector Disaster Claiming - Org 1033 to the Public Works and Planning Department - Capital Projects Org 8870 for recreation, park facility, and ground improvements to Kearney Park (\$4,485,275);**
- 3. Adopt Budget Resolution increasing FY 2022-23 appropriations and estimated revenues for the Public Works and Planning Department, Capital Projects, Org 8870 in the amount of \$4,485,275 (4/5 vote); and**
- 4. Approve and direct staff to evaluate for eligibility represented negative economic impacts of the pandemic on the Fresno City & County Historical Society, not to exceed \$514,725 in ARPA-SLFRF, for potential rehabilitation of the Kearney Mansion Museum, in the Fresno City & County Historical Society's effort to safely reopen the Kearney Mansion Museum to public, and return with a proposed subrecipient agreement for the Board's approval.**

Approval of the first recommended action will amend your Board-approved ARPA-SLFRF expenditure plan and authorize the Department to use earmarked funding to make recreation, park facility, and ground improvements to Kearney Park. The second recommended action will approve the ARPA-SLFRF allocation, not to exceed \$4,485,275, for the Department to implement improvements to Kearney Park (Kearney Project). The third recommended action will adopt Budget Resolution and increase the Department's fiscal year (FY) 2022-23 appropriations and estimated revenues for the Kearney Project. Approval of the fourth action will direct County staff to work with the Fresno City and County Historical Society (FCCHS), a 501(c)3 nonprofit, to evaluate for eligibility negative economic impacts of the pandemic on FCCHS's efforts to safely reopen the Kearney Mansion Museum for the public to visit and return to your Board at a later date with a proposed subrecipient agreement not to exceed \$514,725 in ARPA-SLFRF. On February 1, 2022, your Board approved, as part of the ARPA-SLFRF expenditure plan, the \$5,000,000 earmarking of SLFRF for the Kearney Park, Reclaimed Water Project Clean Water State Revolving Fund to

be implemented by the Department. 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 Department to implement the Kearney Project, which has been designed to respond to the COVID-19 public health emergency and its negative economic impacts. Additionally, SLFRF would not be available to FCCHS to address negative economic impacts of the pandemic on its effort to maintain and rehabilitate the Kearney Mansion Museum and safely reopen the Kearney Mansion Museum for the public to visit. Improvements to Kearney Park and Kearney Mansion Museum will be delayed until another funding source is identified.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. Approval of the recommended actions will increase the Department's FY 2022-23 appropriations and estimated revenues in the Department's Capital Projects, Org 8870, in the amount of \$4,485,275 to fund the implementation of the Kearney Park Project. Costs for the recommended actions will be reimbursed through Auditor-Controller/Treasurer-Tax Collector Org 1033 - Disaster Claiming, Fund 0026, Subclass 91021.

DISCUSSION:

The ARPA-SLFRF Program delivered \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The SLFRF Program ensures that governments have the resources needed to fight the pandemic and support families and businesses struggling with the public health and economic impacts, maintain vital public services, and build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

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 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, the Department determined that there are several challenges that were not fully considered for the timely implementation of the Kearney Park Reclamation Water project that consist of: user rates and commitment to purchase recycled water on a long-term basis, full construction cost to build-out the reclaimed water connection, ongoing personnel training in compliance with State mandates for recycled water users, and long-term cost for ongoing park maintenance.

Kearney Park draws groundwater from three active on-site wells with a reported water usage for landscape and farming irrigation of 58,063,980 gallons per year; approximately 180 Acre Feet per year. An equivalent recycled water supply would need to be purchased from the City of Fresno (City) to meet Kearney Park's irrigation and farming water demand. The City's current established rate for customers includes a base rate plus the amount of recycled water used at a rate of \$0.75 per 1000 gallons. Based upon that rate and irrigation demand, it would cost the County approximately \$45,000, plus staffing costs annually to meet Kearney Park's irrigation demand.

The Department considered two potential connection points for the park to the City's nearest recycled water main trunk lines. Both connection options would extend purple line approximately two linear miles east of the park which would be a substantial capital investment by the County that could only be used for reclaimed irrigation supply. Recycled water management is regulated under California's Title 22 which would require Department personnel to be trained for the operation and maintenance of reclaimed irrigation facilities. The Department is currently updating the staff training requirements to allow the County to utilize recycled water, and the long-term use of recycled water is the direction the County and the Department are headed to reduce the long-term reliance on groundwater, however, the key measures noted above will need to be in place before recycled water supply is used at Kearney Park. Accordingly, the scope was revised to omit Kearney Park's connection to the City's reclaimed water system. Funds initially earmarked for the reclaimed water project are now instead recommended to make improvements to Kearney Park, with the remainder of the funds to be used to address the negative economic impacts and loss revenue due to the pandemic on the FCCHS' effort to make improvements to the Kearney Mansion Museum and safely reopen the Kearney Mansion Museum for the public to visit, assuming that project is determined to be eligible under ARPA.

Improvements to Kearney Park, PWP Program 10

Project Expenditure Category: 2.22 Strong Healthy Communities: Neighborhood Features that promote Health and Safety.

Funding Amount: \$4,485,275

Total Expenditures to Date: \$0

Estimated Start Date: 5/1/23

Estimated Completion Date: 12/31/26

Kearney Park is the largest County park consisting of 225 acres located two miles west of the City of Fresno, near the intersection of W. Kearney Boulevard and S. Grantland Avenue in the 93706 ZIP Code area, which is one of the most highly impacted for pollution and poverty in the State of California. According to the Healthy Places Index (HPI), 98.9% of Californians live in healthier conditions than the residents of 93706. The HPI tool evaluates the relationship between 23 identified key drivers of health and life expectancy at birth - which can vary dramatically by neighborhood. The 93706 ZIP Code also has a higher level of poverty than the rest of Fresno County with 60% of households earning less than \$50,000, compared with 41% for all of Fresno County and 29% in California.

The County possesses and manages Kearney Park pursuant to a license granted by the Regents of the University of California, which, as supplemented and amended, will expire on February 14, 2027, unless further extended. Kearney Park draws the greatest number of visitors within the County's park network because of its affordability, available open and green space, traditional significant special events, and community festivals throughout the year. Kearney Park is also home to the Historic Kearney Mansion, disc golf courses, softball fields, and the park's group picnic areas are the largest and most in demand for residents of Fresno County.

SLFRF will fund improvements to Kearney Park consisting of the removal and disposal of one outdated playground that is past its useful life, the installation of three new playgrounds, improvements to the tennis courts, the addition of a group picnic shelter, tables and barbeque pits, replacement of one non-ADA compliant restroom and construction of one new restroom that will include a new septic and leach lines, well pump repair/s, and irrigation improvements for the landscaping beautification of the park's greenery and open space areas.

Additional improvements to Kearney Park will address interior circulation concerns such as: improvement of the pavement surface in several areas of the park, along with striping and speed bumps, and repair of the rock walls along the road to prevent reckless driving and improve safety and accessibility for pedestrians and multimodal users of the park, the installation of wheel stops and updated parking space striping to improve safety, street lighting and signage throughout the park to improve pedestrian safety and traffic orientation, various ADA-compliant accessibility improvements, irrigation and septic improvements, and - if funding allows - various playground and shelter improvements, and miscellaneous improvements to ensure that the park continues to provide a reliable and affordable recreational open space for the residents and visitors of Fresno County.

The Department's recommended improvements to Kearney Park will provide free or low-cost access to improved recreational and open spaces for residents to enjoy, thereby improving community wellness and providing for a healthier living environment for parkgoers in the County. The Final Rule designated investments to disproportionately impacted communities to improve health outcomes and public safety, such as parks, recreation facilities, and public outdoor recreational spaces as an Eligible Use of SLFRF funds. This includes neighborhood features that promote improved health and safety outcomes, such as parks, green spaces, recreational facilities, sidewalks, pedestrian features like crosswalks, streetlights, and other projects to revitalize public spaces.

Negative Economic Impact, Fresno City & County Historical Society

Kearney Mansion Improvements

Project Expenditure Category: TBD

Funding Amount: \$514,725

Total Expenditures to Date: \$0

Estimated Start Date: 5/1/2023

Estimated Completion Date: 12/31/26

Kearney Mansion Museum is a historic landmark in Fresno County located on the grounds of the Kearney Park and is operated by contract by the FCCHS, a 501(c)3 nonprofit organization. The FCCHS' mission is to engage, inform, and educate the public through collecting, preserving, and interpreting the stories, images, and resources of the region's history to help understand Fresno County's past and shape the future. FCCHS 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. FCCHS' collections include items dating back to the Civil War era and the settling of California. The FCCHS 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 for the exploration of the region's colorful history, including, in particular, the history of the agriculture industry, migration to the San Joaquin Valley, and local resources for use by archivists, researchers and students. FCCHS offers several educational tours on Friday, Saturday, and Sunday, and hosts private group tours and partners with local school districts to facilitate field trip tours.

During the preparation of this item, County staff considered options to extend potential improvements to the Kearney Mansion Museum because of its historical contribution in the valley, educational role, and location at Kearney Park. FCCHS represents that during the course of the pandemic, closures to comply with public health emergency orders to prevent the spread of COVID-19 had a negative economic impact on its programs and operations because anticipated revenues from visitor fees during that time period were completely lost. Importantly, local school children lost the opportunity to learn about the history of the

Kearney Mansion and the Central Valley because of the loss of these field trips and tours. FCCHS represents that in 2020, its negative impact due to the pandemic was \$364,725 in cancellations that would have generated revenue, while additional losses were experienced in 2021. Major cancellations of revenue generating activities included: fieldtrips, in-school field tours, and in-person events, i.e. rentals, festivals, community events, private events, memberships, and grant fulfillments. In addition, because FCCHS was unable to offer membership benefits during this time, membership declined by 10%. Because of these cancellations of revenue generating events, FCCHS represents that it decided to postpone needed repairs and restoration project of various areas in the Kearney Mansion Museum to welcome back visitors to the museum. In total, FCCHS represents that, due to the negative economic impacts of the COVID-19 pandemic, it would take \$514,725 to make improvements to the Kearney Mansion Museum so that it would be able to resume the revenue generating activities that it previously provided to local students and the public. Additional time is needed for County staff to vet and prepare a full scope of work to identify the negative economic impacts to the Kearney Mansion Museum and FCCHS due to the pandemic. With your Board's approval of the recommended action, a maximum of \$514,725 will be used to implement the improvements to the Kearney Mansion Museum. The County Administrative Office, in coordination with the Department, will return to your Board at a later date to request the approval of a subrecipient agreement with FCCHS, which will include more specifics regarding the necessary improvements to welcome visitors back to the Kearney Mansion Museum. Staff anticipates that the restoration of the Kearney Mansion Museum facility will help address educational disparities exacerbated by COVID-19, including enrichment programs and access to a well-rounded education.

With your Board's approval of the recommended actions, \$5,000,000 will be allocated to be used to implement the Kearney Project. With these improvements, Kearney Park and Kearney Mansion Museum will improve its low-cost green space, recreational, and educational opportunities for residents living nearest to the park in the 93706 ZIP Code. Detailed scopes of work, project timelines, including project start and completion dates, and key performance indicators for the projects will be provided by the Department to the County Administrative Office on a quarterly and annual basis.

REFERENCE MATERIAL:

BAI #66, December 13, 2022
BAI #9, November 8, 2022
BAI #3, February 1, 2022
BAI #7, August 24, 2021
BAI #7, July 13, 2021
BAI #36.1, May 25, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map
On file with Clerk - Budget Resolution (Kearney Project - Org 8870)

CAO ANALYST:

George Uc