



# Board Agenda Item 30

DATE: October 24, 2023

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: State Local Fiscal Recovery Fund Subrecipient Agreements with Self-Help Enterprises

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute Subrecipient Agreement for American Rescue Plan Act-State Local Fiscal Recovery Fund (ARPA-SLFRF) with Self-Help Enterprises in the total amount of \$210,000, in support of a strong and equitable recovery from the pandemic and economic downturn by funding the purchase of a play structure and recreation equipment for the community center at the Cherry Crossing I Sanger affordable housing project, that will benefit the children, youth, and future residents of the Cherry Crossing I project and neighboring areas who have been disproportionately impacted by the COVID-19 pandemic; and**
- 2. Approve and authorize the Chairman to execute Subrecipient Agreement for ARPA-SLFRF with Self-Help Enterprises in the total amount of \$210,000, in support of a strong and equitable recovery from the pandemic and economic downturn by funding the purchase of a play structure and recreation equipment for the community center at the Guardian Village Reedley affordable housing project, that will benefit the children, youth, and future residents of the Guardian Village project and neighboring areas who have been disproportionately impacted by the COVID-19 pandemic.**

Approval of the recommended actions will approve two separate ARPA-SLFRF subrecipient agreements with Self-Help Enterprises (Subrecipient). Approval of the first recommended action will allocate \$210,000 to the Subrecipient to fund the purchase of a play structure, bicycle racks, and recreation equipment for the community center to be built at the Cherry Crossing I project in Sanger. Approval of the second recommended action will allocate \$210,000 to fund the purchase of a play structure, bicycle racks, and recreation equipment for the community center at the Guardian Village project in Reedley. Approval of the recommended actions will provide investment in recreational facilities, promote community wellness, and provide outdoor space for a healthier living environment that will benefit the residents of the affordable housing projects in Sanger and Reedley and neighboring areas who have been disproportionately negatively impacted by the COVID-19 pandemic. There is no Net County Cost associated with the recommended actions. This item pertains to two locations in District 4.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended actions, ARPA-SLFRF would not become available to the Subrecipient to help fund the purchases of play structures and equipment for the community centers at the Cherry Crossing I and Guardian Village affordable housing projects. Acquiring the recreation equipment 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 Title 31, Code of Federal Regulations Part 35 Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule ("Interim Final Rule") 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 the following general categories:

- A. Respond to the COVID-19 public health emergency or its 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 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 their subrecipients must return any funds to the Treasury which are not obligated by December 31, 2026.

On August 22, 2023, your Board approved the Second Round Award List, which earmarked \$4,225,000 in ARPA-SLFRF funding for proposals that may be funded either in whole or in part by the County's allocation of ARPA-SLFRF. The approved Second Round Award List included funding for the purchase of playground equipment and equipment/appliances for the Cherry Crossing I in Sanger (\$210,000) and the Guardian Village in Reedley (\$210,000) community centers to be implemented by the Subrecipient.

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.

**Cherry Crossings I, Play Structure and Equipment**

The Subrecipient plans to construct the Cherry Crossing I project, a 72-unit affordable housing complex that will offer one, two, and three-bedroom units and an on-site community center in the City of Sanger. The Cherry Crossing I's community center is planned to provide future residents with free access to after-school programs, curriculum that focuses on Science, Technology, Engineering, and Mathematics (STEM) for children and youth, access to a computer lab and classes, provide financial and budgeting classes for adults, outdoor recreational areas, as well as various wellness activities that will benefit individuals who have been impacted or disproportionately impacted by the COVID-19 pandemic or experienced negative economic impacts from the public health emergency. The Cherry Crossing I project is located in a disadvantaged community with an average median household income of \$44,815, and a poverty level of 23 percent according to the US Census, American Community Survey 5-year Estimates for years 2015-2019.

Under the recommended agreement, SLFRF will help the Subrecipient to purchase a play structure, bicycle racks, and recreation equipment for the community center that will provide investment in recreational facilities, promote community wellness, and provide outdoor space for a healthier living environment that will benefit the children, youth, and future residents of the Cherry Crossing I project and neighboring areas who have been disproportionately negatively impacted by the COVID-19 pandemic.

## **Guardian Village, Play Structure and Equipment**

The Subrecipient plans to construct the Guardian Village project, a 48-unit affordable housing complex that will offer one, two, and three-bedroom units and will include an on-site community center and recreational open space in the City of Reedley. The Guardian Village project will be built at 601 East 11th Street in Reedley. The Guardian Village's community center is planned to provide future residents with free access to after-school programs, STEM curriculum for children and youth, access to a computer lab and classes, provide financial and budgeting classes for adults, outdoor recreation areas, as well as various wellness activities that will benefit individuals who have been impacted or disproportionately impacted by the COVID-19 pandemic or experienced negative economic impacts from the public health emergency.

The Guardian Village project is located in a disadvantaged community with an average median household income of \$47,083, and a poverty level of 26 percent according to the US Census, American Community Survey 5-year Estimates for years 2017-2021.

Under the recommended agreement, SLFRF will help the Subrecipient to purchase a play structure, bicycle racks, and recreation equipment for the community center that will provide recreational space, promote community wellness, and provide for a healthier living environment that will benefit the children, youth, and future residents of the Guardian Village project and neighboring areas who have been disproportionately impacted by the COVID-19 pandemic.

The Treasury recognizes that neighborhood features that promote improved health and safety outcomes response to the pre-existing disparities that contributed to COVID-19's disproportionate impacts on low-income communities, are enumerated eligible uses, including recreational facilities. The recommended agreements are intended to support a strong and equitable recovery from the COVID-19 pandemic and economic downturn by providing funding assistance to the Subrecipient, a nonprofit organization that serves individuals impacted by the pandemic.

### 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 - Subrecipient Agreement with Self-Help Enterprises, Cherry Crossing I  
On file with Clerk - Subrecipient Agreement with Self-Help Enterprises, Guardian Village

### CAO ANALYST:

George Uc