



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Community Services
Department No.: 057
For Agenda Of: June 15, 2021
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: George Chapjian, Director
Contact Info: Dinah Lockhart, Deputy Director (805) 568-3523
Laurie Baker, Grants and Program Manager (805) 568-3521
SUBJECT: Approve and execute a Sixth Amendment increasing funding and extending the term of a Community Development Block Grant (CDBG) Subrecipient Agreement with Cuyama Valley Recreation District (Supervisorial District 1)

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve and authorize the Chair of the Board to execute a Sixth Amendment (Attachment A) extending the term of a CDBG Subrecipient Agreement (Agreement) between the County and the Cuyama Valley Recreation District (CVRD) until June 30, 2022 and increasing the amount of the Agreement by \$100,000 for a total grant of \$499,485;
- B. Determine that the recommended actions are not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(4), finding that the actions are not a project as they are the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Summary Text:

On November 14, 2017, the Board of Supervisors executed an Agreement with CVRD awarding \$341,000 of CDBG funds to carry out Park Improvements (Project). The Project consisted of two phases: 1) The purchase and installation of a skate ramp and, 2) The purchase and installation of a modular concession stand and restroom facilities to service the ball park. The skate ramp was completed in 2018 at the cost of \$87,018. The second phase of the Project remains to be completed.

On May 5, 2020, the Board approved an additional \$58,485 of CDBG funds for Phase 2, for a total grant of \$399,485 for both phases. On April 20, 2021, the Board approved an additional \$100,000 in CDBG funds as a part of the FY 2021 Annual Action Plan, for a total grant amount of \$499,485 for both phases.

Phase 2 of the Project is expected to be completed by the end of the calendar year, December 31, 2021; however, the park improvement agreement between CVRD and the County expires on September 30, 2021. Therefore, the recommendation includes adding \$100,000 to the Project budget and extending the term of the agreement to June 30, 2022 to allow time for inclement weather or other unforeseen delays.

Background:

On July 11, 2017 the Board of Supervisors approved the FY 2017-18 Action Plan, which included the Project. The Project consisted of the purchase and installation of a skate ramp, as well as site design, procurement and installation of a prefabricated, modular concession stand and restroom facility. The skate ramp Project (Phase 1) was completed in 2018.

The procurement and placement of the modular concession stand and restroom facility (Phase 2) encompasses a higher level of project management and includes: site planning, engineering, construction of a concrete pad, location of existing utilities and tie-in to the modular structure, procurement of contractors, and management and oversight of construction requirements and activities. This presented greater-than-anticipated challenges for the part-time CVRD General Manager, who only works two days-per-week and has other community responsibilities.

HCD staff worked with the CVRD General Manager in identifying and engaging a third-party project management consultant who can assist in implementing and expediting the Project. The consultant reviewed the Project scope and budget and identified a need for additional project funding in the amount of \$58,485 of CDBG funds to complete the Project, which was approved by the Board on May 5, 2020. On March 29, 2021, the County and Subrecipient exercised the option as set forth in the Agreement to extend the Agreement to September 30, 2021.

The Project, with the consultant's assistance, has made considerable progress in the last year. The Planning Commission approved a Land Use Permit in February, 2021. Project construction documents are currently out to bid, and a bid is expected to be selected in mid- to late June 2021. However, the consultant determined the budget to be insufficient as construction requirements and detail have been refined. Specifically, because of the Project's location in a flood zone, the Building Floor Elevation of the structure has been increased, and changes have been made to the project design to bring it into compliance with Americans with Disabilities Act (ADA) requirements.

On April 20, 2021, the Board of Supervisors approved the allocation of an additional \$100,000 of CDBG funds for the Project as a part of the FY 2021 Annual Action Plan, bringing the total Project budget to \$499,485. Phase 1 of the Project (skate park) was completed in 2018 at the cost of \$87,018. The remaining contract amount of \$412,467 will be used to complete Phase 2 (concession stand and restrooms). In addition to adding the approved funds, extending the term of the Agreement to June 30, 2022 will allow Project work to continue uninterrupted and will provide assurance that the Project will be completed in a more timely manner.

Performance Measure:

The rate of CDBG expenditures is monitored by HCD to assure that programs and projects are progressing in accordance to established timelines and HUD regulations. The extension of the Agreement to June 30, 2022 will not inhibit the ability of the County to maintain and meet HUD’s expenditure deadlines.

Key Contract Risk:

HUD holds the County accountable for ensuring that federal funds expended are for eligible costs and could require repayment by the County, with non-federal funds, for ineligible expenses. CSD will make payments to the subrecipient on a reimbursement basis and the subrecipient must provide documentation that supports eligible expenditures consistent with the contract budget and federal regulations. If the subrecipient does not meet performance measures or federal regulations, the County may withhold funds or terminate the contract. Real property improved, in whole or in part with CDBG funds, must continue to meet a CDBG National Objective for a period of at least five years. Failure to meet the five-year period may result in County repayment of the CDBG funds expended plus a percentage of the increase in market value attributable to the investment of CDBG funds. HCD monitors the financial condition and the use of real property for the duration of the required periods.

Fiscal and Facilities Impacts:

CDBG funds are allocated to the County on an annual basis from HUD. Federal CDBG funds are awarded to the County as grants. Twenty-percent (20%) of the CDBG grant may be used to cover County costs to administer the federal programs and up to fifteen-percent (15%) may be awarded to public services programs. County general funds are used for a portion of HCD administrative expenses; however, no County funds are being used to fund the approved projects.

Fiscal Analysis:

| <u>Funding Sources</u> | <u>Current FY Cost:</u> | <u>Annualized On-going Cost:</u> | <u>Sixth Amendment Additional Cost</u> | <u>Total One-Time Project Cost</u> |
|-------------------------------|--------------------------------|---|---|---|
| General Fund | | | | |
| State | | | | |
| Federal | | | \$100,000 | \$499,485 |
| Fees | | | | |
| Other: | | | | |
| Total | \$ - | \$ - | \$100,000 | \$499,485 |

Staffing Impacts:

The federal programs are administered by existing HCD staff.

Special Instructions:

1. Please have the Board Chair sign the Sixth Amendment with CVRD (Attachment A). The Amendment, with original signatures, may be retained by COB.
2. Please return one certified copy of the executed Sixth Amendment (Attachment A) to James Francis at HCD. Please call ext. 83549 or email jfrancis@co.santa-barbara.ca.us for pickup.
3. Please provide a copy of the Minute Order to jfrancis@co.santa-barbara.ca.us.

Attachments:

Attachment A: Sixth Amendment to CDBG Agreement

Authored by:

James Francis, Housing Program Specialist

Attachment A
Sixth Amendment to CDBG Agreement