



REPORT TO COUNCIL

City of Sacramento

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CONSENT
May 12, 2009

**Honorable Mayor
and Members of the City Council**

**Title: Grant/Agreements: Authorization and Process for American Reinvestment
and Recovery Act (ARRA) of 2009 Funding**

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) appointing the City Manager, Assistant City Managers, and Director of Parks and Recreation as agents of the City of Sacramento, each with the authority to prepare and submit grant proposals associated with the American Reinvestment and Recovery Act of 2009 (ARRA) in amounts up to \$1,500,000 per proposal; 2) authorizing the City Manager or designee to execute all necessary agreements, establish related revenue and expenditure budgets for awarded grant funds and appropriate the grant funds contingent on receipt of award; 3) authorizing the City Manager or designee to execute any required grant amendments in amounts up to \$25,000 for grant awards up to \$250,000 and up to 10% of the original grant amount for grant awards exceeding \$250,000; 4) authorizing the City Manager to fill vacant and/or defunded Full Time Equivalent (FTE) positions if fully offset by awarded ARRA grant funds up to \$1,500,000; 5) authorizing the City Manager to add up to 25 FTE associated with the implementation of ARRA grant funded programs, if those positions are offset by awarded grant funds, and 6) directing staff to report back to the City Council within 60-days on any ARRA grant award.

Contact: Jonathan Rewers, Parks and Recreation Analyst, 808-7590

Presenters: Not Applicable

Department: Parks and Recreation

Division: Office of the Director

Organization No: 19001411

Description/Analysis

Issue: On February 17, 2009, the Federal Economic Stimulus Package known as the American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law. The Department of Parks and Recreation has completed an analysis of available ARRA funding opportunities for City programs and projects (Attachment 2, p. 5). The purpose of ARRA is to immediately generate jobs and economic growth by making these funds available in an expedited manner. As such, there is little time for grant proposal preparation, contract development and administration to implement programs and projects as they are funded. Staff is therefore requesting the City Council approve an expedited process to allow the Department to most efficiently and effectively take advantage of these opportunities.

Policy Considerations: Staff's recommendation is consistent with policies in the City Council adopted *2005-2010 Parks and Recreation Master Plan* (Policies 5.1, 5.3, 5.6 and 13.13).

Staff's recommendation is also consistent with the City Council's adopted Budget Resolution for Fiscal Year 2008-2009 (Resolution #2007-404).

Committee/Commission Action: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): Staff's recommendation concerns administrative activities that will not have any significant effect on the environment and that do not constitute a "project," as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Sections 15061(b)(3); 15378(b)(2)].

Sustainability Considerations: Staff's recommendations have been reviewed for consistency with the goals, policies, and targets of the City's Sustainability Master Plan and the Parks and Recreation Sustainability Plan. One of the major goals of ARRA is to reduce the nation's carbon footprint, increase our reliance on renewable and carbon-neutral energy sources, and create or rebuild our infrastructure. Support of staff's recommendation will result in programs and projects that will reduce energy use, greenhouse gas emissions and air pollution through the addition of trees and other plantings, and improving the health of residents through access to a diverse mix of wellness activities.

Rationale for Recommendation: The primary purpose of ARRA is to preserve and create jobs and promote economic recovery, assist those most impacted by the recession, spur technological advances, and invest in infrastructure that provides long term benefits. ARRA provides funding for ready to go activities or shovel ready projects at the federal, state and local government levels. As such, the Federal Government has set a rigorous timeline for spending and releasing funds. Federal Agencies were required to begin reporting on the use of funds in early March 2009. Recipients of Federal funding are being asked in turn to begin reporting on the use of ARRA funding in mid-July 2009.

With such aggressive timelines, staff wants to best position the City for these funding opportunities. The Department of Parks and Recreation has already prepared applications for ARRA funding through the Sacramento Employment and Training Agency (SETA), and will request additional funding in late Spring and Summer 2009. In addition, the Department of Parks and Recreation has completed an analysis of opportunities for funding in the form of pass-through funding opportunities from the State including the California Department of Education and other state agencies (Attachment 2, p. 5). Competitive proposals for these opportunities will be based largely on the agency's past performance, and ability to quickly deliver programs or begin projects.

Staff is therefore recommending that the City Council approve various actions that will allow staff to quickly take advantage of opportunities out of ARRA and establish the administrative and budgetary foundation to prepare competitive funding proposals and quickly deliver services and/or projects if funded.

Consistent with the approved budget resolution, applying for new grant funds, establishment of grants or capital improvement projects, funding of FTE and FTE augmentation require approval of the City Council.

Authorization to execute grant agreements and amend grant agreements is outside of the authority of the City Manager, and therefore requires approval by the City Council.

Financial Considerations: To date the Department of Parks and Recreation has requested a total of \$187,727 in funding originating from ARRA.

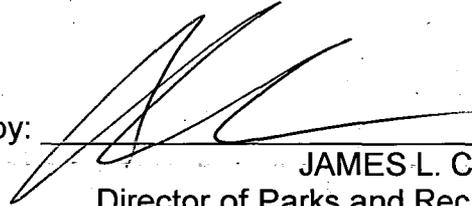
Staff will prepare an application to the SETA in May 2009, to request up to \$300,000 in funding for adult employment to support Department operations including park maintenance. The Department is also evaluating preparing a second proposal for an additional \$300,000 in July for a total of \$600,000. This funding may temporarily reduce service level impacts due to budgetary reductions in FY 2009-2010.

Staff is requesting the authority to prepare proposals up to \$1,500,000 for maximum flexibility in program and project development.

Staff continues to review Request for Proposals (RFPs) and procedural guides for programs as they are released. Some grant programs may require City in-kind or matching funds. In addition, there is an administrative component to the management of any grant funded project or program including contract management, fiscal monitoring and accounting. Administrative management of these funds could also have a fiscal impact.

Emerging Small Business Development (ESBD): Not applicable. There are no ESBD considerations with this report.

Respectfully Submitted by:



JAMES L. COMBS
Director of Parks and Recreation

Recommendation Approved:

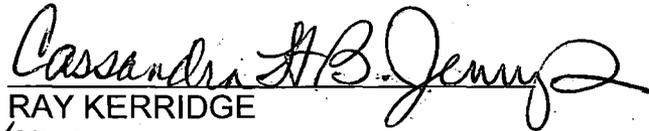

for RAY KERRIDGE
City Manager

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ATTACHMENT 1

Background:

On February 17, 2009 President Barack Obama signed into law the Federal Economic Stimulus Package known as the American Recovery and Reinvestment Act of 2009 (ARRA). The ARRA totals \$787 billion in funding, of which \$358 billion accounts for spending, \$144 billion for state and local fiscal relief, and \$285 billion in tax relief. The ARRA includes measures to modernize the nation's infrastructure, enhance energy independence, expand educational opportunities, preserve and improve affordable health care, provide tax relief, and protect those in greatest need.

Of the \$787 billion, California anticipates receiving \$85 billion in ARRA funding over the next two years. The ARRA allocates additional funding to existing programs and establishes and funds some new programs. Depending on the program, funds will either come from federal or state agencies acting as a pass through, be distributed through existing federal agency formula distributions, or be allocated through competitive grant programs (also known as discretionary funding programs). The ARRA contains a strong emphasis on accountability. The Act requires recipients of funds to both certify eligibility as well as to track and report expenditures.

The purpose of ARRA is to immediately generate jobs and economic growth by making these funds available in an expedited manner. The Federal Government has set a rigorous timeline for spending and releasing funds. Federal Agencies were required to begin reporting on the use of funds in early March 2009. Recipients of Federal funding are being asked in turn to begin reporting on the use of ARRA funding in mid-July 2009.

The Department of Parks and Recreation has done an analysis of opportunities for funding in the form of pass-through funding opportunities from the State including the California Department of Education and other state agencies. Staff has already prepared applications for ARRA funding through the Sacramento Employment and Training Agency (SETA), and will request additional funding in late Spring and Summer 2009. To date the Department of Parks and Recreation has requested a total of \$187,727 in funding originating from ARRA. Staff will prepare an application to SETA in May 2009, to request up to \$300,000 in funding for adult employment to support Department operations including park maintenance. The Department is also evaluating preparing a second proposal for an additional \$300,000 in July for a total of \$600,000.

Staff wants to best position the City for these funding opportunities. With so little time for grant proposal preparation, contract development and administration to implement programs and projects as they are funded, staff is requesting the City Council approve an expedited process to allow the Department to most efficiently and effectively take advantage of these opportunities.

ATTACHMENT 2

American Reinvestment and Recovery Act of 2009
PARKS AND RECREATION
PROGRAM ANALYSIS AND POSITION SUMMARY

FOCUS AREA	PROGRAM	POSITION	NOTES
COMMUNITY DEVELOPMENT, ECONOMIC DEVELOPMENT AND HOUSING	Corporation for National and Community Service	DIRECT/PARTNERHSIP	The City of Sacramento participates in the AmeriCorps Program. DPR will continue to work with local agencies to use AmeriCorps Volunteers to provide services beneficial to the community.
EDUCATION	Education for the Disadvantaged (No Child Left Behind Act of 2001)	DIRECT	<p>A number of grant programs are anticipated to come out of funding associated with this program. Funding will be distributed to local government agencies through the California Department of Education (CDE). DPR is in contact with CDE and anticipated applying for funding associated with youth programming.</p> <p>DPR will also partner with various school districts to enhance existing partnership programs (Youth & Teen) associated with 21st Century and other funding sources which is anticipated to be augmented with ARRA funding.</p>
	School Improvement Programs	SUPPORT, REFERRAL, TECHNICAL ASSISTANCE	Funding is primarily for Local Education Agencies (LEAs) related to enhancing technology (\$70.8 million available for California). DPR will work with local school districts to ensure that they are aware of this funding opportunity, and continue research into any advantageous partnerships that may arise through this funding source.
	Rehabilitation Services and Disability Research	SUPPORT, REFERRAL, TECHNICAL ASSISTANCE	Funds for this program will be distributed through the California Department of Rehabilitation. The program is associated with Vocational Rehabilitation Services and Independent Living Centers provided within the City of Sacramento by local vendors. This is not a direct service provided by DPR, however the Department will continue to work with local partners to ensure that this funding opportunity is taken advantage of to the greatest extent possible.
	Student Financial Assistance	SUPPORT, REFERRAL, TECHNICAL ASSISTANCE	Research indicates that the majority of this funding is for Pell Grants to allow youth an opportunity to go to college. DPR will work with school districts to make them aware of this opportunity, and will continue to integrate information about these opportunities in Teen Programs .
	Institute of Education Sciences	SUPPORT, REFERRAL, TECHNICAL ASSISTANCE	Funding for statewide data systems to measure metrics. Each state is required to establish a longitudinal data system and improve the collection and use of data. The City supports an effort, which could be integrated into the START program to measure the program's educational enrichment activities.
EMPLOYMENT AND TRAINING	Youth Activities	DIRECT	Funds for this program will be distributed through the Sacramento Employment and

			<p>Training Agency (SETA). DPR has already put in an RFP requesting approximately \$150,000 to nearly double the existing Workforce Investment Act (WIA) program for youth (during the summer months). DPR will pursue additional funds as RFP's are released.</p>
	<p>Community Service Employment for Older Americans</p>	<p>SUPPORT, REFERRAL, TECHNICAL ASSISTANCE</p>	<p>Funds for this program will be released by the Area 4 Agency on Aging. Currently, local AARP receives funding for this program within the City of Sacramento. DPR will continue to support this effort and provide any assistance necessary to allow local agencies to get additional funding for this effort.</p>
<p>ENERGY</p>	<p>Energy Efficiency and Conservation Block Grant</p>	<p>DIRECT</p>	<p>The City of Sacramento will receive approximately \$4+ million for sustainability efforts. DPR will work closely with the DGS (lead) on addressing items in the 2009 Sustainability Implementation Plan and pursue efforts to reduce water and power use at parks and facilities across the City for greater efficiency and reduction in operational and maintenance costs.</p> <p>There is a "direct" competitive grant program that will also be available. DPR will work with DGS if it is determined a Parks and Recreation project is most appropriate for this funding opportunity.</p>
<p>ENVIRONMENTAL</p>	<p>Army Corps of Engineers - Construction</p>	<p>PARTNERSHIP</p>	<p>DPR will work and investigate with DOU and the SAFTA opportunities to take advantage of these funds. DPR in the past has worked with the Army Corp on improvement along open space areas along the American River (Sand Cove). Staff will also work with Sacramento County to determine if any improvements in the recently approved American River Parkway Plan may be appropriate for this funding source.</p>
<p>PUBLIC SAFETY</p>	<p>Byrne Assistance Competitive Grants</p>	<p>PARTNERSHIP</p>	<p>DPR will work with the Office of Youth Development to develop a proposal to support the Sacramento Mentoring Partnership which includes various local agencies, including DPR as a partner.</p>
<p>SOCIAL SERVICES</p>	<p>School Lunch Program</p>	<p>SUPPORT, REFERRAL, TECHNICAL ASSISTANCE</p>	<p>Funding requests are due in early June for this funding source which is open to local school districts for improvement and equipment associated with the School Lunch Program. DPR is a supporter of the school districts improving their facilities. The Department contracts with three local districts SCUSD, TRUSD and EGUSD to provide the Summer Food Program for the County of Sacramento improvements to school district facilities will result in more efficient operations and higher quality services.</p>
	<p>Childcare and Development Block Grant</p>	<p>SUPPORT, REFERRAL, TECHNICAL ASSISTANCE</p>	<p>The majority of program funds are for pre-school uses, and currently DPR is not in this business. Staff will be contacting the Local Planning Council and working with School District partners to identify possible uses in Sacramento. Staff will also do additional research.</p>
	<p>Community Services Block Grant</p>	<p>PARTNERSHIP</p>	<p>SHRA will be the primary applicant for funds on behalf of the City of Sacramento. DPR has contacted SHRA regarding additional support to programs such as Youth</p>

			Employment, and Teen and Youth Recreation.
	Head Start	SUPPORT, REFERRAL, TECHNICAL ASSISTANCE	Funding will support programs not directly provided by DPR. Staff will be contacting the Local Planning Council and working with School District partners to identify possible uses in Sacramento.
	Early Head Start	SUPPORT, REFERRAL, TECHNICAL ASSISTANCE	Funding will support programs not directly provided by DPR. Staff will be contacting the Local Planning Council and working with School District partners to identify possible uses in Sacramento.
	Aging Services Programs	SUPPORT, REFERRAL, TECHNICAL ASSISTANCE	Funding for this program will support existing support programs for Older Adults. The County of Sacramento will receive the funds from the Area 4 Agency on Aging. This is a formula grant to support Nutritional and Meal Programs. The County uses local vendors such as Meals on Wheels. The City will continue the support and work with partners to ensure that these services are available to residents.
STATE FISCAL RELIEF	State Fiscal Stabilization Fund	DIRECT/PARTNERSHIP	The City may have opportunities for funding "innovative programs" such as Sacramento START or PASSages or other possible partnerships with local school districts – which could serve as best practice models. Up to \$650 million will be made available for innovation grants that are designed to close the achievement gap for youth.

RESOLUTION NO. 2009-

Adopted by the Sacramento City Council

May 12, 2009

AUTHORIZATION AND PROCESS FOR AMERICAN REINVESTMENT AND RECOVERY ACT OF 2009 FUNDING OPPORTUNITIES

BACKGROUND

- A. On February 17, 2009, the Federal Economic Stimulus Package known as the American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law with the primary purpose to preserve and create jobs and promote economic recovery, assist those most impacted by the recession, spur technological advances, and invest in infrastructure that provides long term benefits.
- B. The Federal Government has set an expedited timeline for spending and releasing ARRA funding.
- C. With such aggressive timelines, staff wants to best position the City for these funding opportunities and is requesting that the City Council approve various actions that will allow staff to quickly take advantage of opportunities out of ARRA and establish the administrative and budgetary foundation to prepare competitive funding proposals and quickly deliver services and/or projects if funded.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager, Assistant City Managers, and Director of Parks and Recreation are appointed as agents of the City of Sacramento, each with the authority to prepare and submit grant proposals associated with the American Reinvestment and Recovery Act of 2009 in amounts up to \$1,500,000 per proposal.
- Section 2. The City Manager or designee is authorized to execute all necessary agreements, establish related revenue and expenditure budgets for awarded grant funds and appropriate the grant funds contingent on receipt of award.
- Section 3. The City Manager or designee is authorized to execute any required grant amendments in amounts up to \$25,000 for grant awards up to \$250,000 and up to 10% of the original grant amount for grant awards exceeding \$250,000.
- Section 4. The City Manager is authorized to fill vacant and/or defunded Full Time Equivalent (FTE) positions if fully offset by awarded ARRA grant funds in an amount up to \$1,500,000.

Section 5. The City Manager is authorized to add up to 25 FTE associated with the implementation of ARRA grant funded programs, if those positions are offset by awarded grant funds.

Section 6. Staff is directed to report back to the City Council within 60-days on any ARRA grant award.