



City of Costa Mesa

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 22-969

Meeting Date: 12/6/2022

TITLE:

ALLOCATION OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDS FROM THE COUNTY OF ORANGE FOR CITY PROJECTS

DEPARTMENT: PUBLIC WORKS DEPARTMENT

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR, (714) 754-5343

RECOMMENDATION:

Staff recommends the City Council:

1. Approve the projects for the proposed allocation of American Rescue Plan Act (ARPA) funds from the County of Orange.
2. Authorize the City Manager to negotiate agreements and appropriate eligible ARPA funds that were allocated to the County through the Office of Supervisor Foley for two City projects.

BACKGROUND:

Orange County Supervisor Katrina Foley contacted the City regarding the availability of ARPA funding that could be allocated for City projects. Staff developed a list of several projects for potential funding and submitted them to the Office of Supervisor Foley for consideration.

ANALYSIS:

A meeting was held with Supervisor Foley and her staff as well as County executives to discuss various City needs and priorities. The following two projects were selected by the Supervisor for funding:

1. Lions Park Café:

Estimated Cost: \$1,200,000

The Lions Park Campus is home to the Donald Dungan Library, which is part of the Orange County Public Library system; the Norma Hertzog Community Center, a one-acre park, Downtown Aquatics Center, Downtown Recreation Center, Luke Davis Field, and the Costa Mesa Historical Society. This active campus is visited by library patrons from all over the County, who not only enjoy this beautiful facility, but also participate in outdoor events and programming provided by the Parks and Community Services Department. Additionally, the community center improvements were recently completed to facilitate rentals for weddings, celebrations and special events, generating revenue for the City and in the future improving services.

The original design for the Campus designates a specific area for amenities such as a café with outdoor dining to complement the adjacent event lawn and Lions Park Campus, which would allow for the additional revitalization of a disproportionately impacted community and improve services for residents.

2. Costa Mesa Skate Park Expansion: Estimated Cost: \$2,000,000

The success of the existing skate park at TeWinkle Park is demonstrated by the number of users that frequent the park. This park amenity welcomes skaters from all over Orange County. The different elements that were incorporated in a very compact footprint and the quality of the work have contributed to its success. Skaters of all ages, and their families enjoy the park too. A great need exists for a dedicated area for young/beginner skaters that will promote increased physical activity that improves healthy outcomes. The expanded area will also include new elements like a pump track, among other amenities.

As with the original design, the proposed expansion will be designed in collaboration with the skating community, as well as the community to make sure the new elements are current, long lasting and compatible with other nearby amenities.

According to County staff, the funding must be expended by December 2026. The Orange County Board of Supervisors will approve the projects at a December 2022 meeting and necessary agreements will be executed in early 2023.

Staff requests City Council approval of the two projects selected for County ARPA funding and to authorize the City Manager to execute the necessary agreements and accept the funds.

ALTERNATIVES:

City Council could choose to not approve the County's recommendations. However, this alternative is not recommended as it would result in a lost opportunity for the City to receive funding to enhance its park and open space amenities.

FISCAL REVIEW:

The Grant Amount is contingent on:

1. The execution of a Revenue Sharing Agreement before the completion of the construction of the Lions Park Café that shall provide the County, through its OC Public Libraries, will receive 50% of the Lions Park Café's net revenues on an ongoing basis for library materials and programming; and,
2. If the expansion of the Skate Park results in the operation of any concession stands, any net revenue generated by the concession stands will be used exclusively for Skate Park maintenance or operating costs.

It is not anticipated that approval of the recommended actions will have a fiscal impact as these are one-time costs for capital projects.

Public Works Staff will request the City Council to approve and adopt the proposed capital projects

along with a scope, budget, and timeline, at a future meeting.

LEGAL REVIEW:

The City Attorney's Office has reviewed this agenda report and approves it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the following City Council Goal:

- Strengthen the Public's Safety and Improve the Quality of Life

CONCLUSION:

Staff recommends the City Council:

1. Approve the projects for the proposed allocation of American Rescue Plan Act (ARPA) funds from the County of Orange.
2. Authorize the City Manager to negotiate agreements and appropriate eligible ARPA funds that were allocated to the County through the Office of Supervisor Foley for two City projects.