



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
October 5, 2021

TOPIC: Revive Santa Ana Spending Plan

AGENDA TITLE:

Approve the 2nd Revision to the Revive Santa Ana Spending Plan and Adopt a Resolution to Amend the FY 21-22 Annual Budget to Add Limited-Term Full-Time Positions (**Revive Santa Ana Program**)

RECOMMENDED ACTION

1. Approve the 2nd Revision to the Revive Santa Ana Spending Plan.
2. Adopt a Resolution to Amend the Fiscal Year 21-22 Annual Budget to add limited-term full-time positions for the implementation of Revive Santa Ana projects.

DISCUSSION

The Revive Santa Ana Spending Plan was approved by the City Council at the July 20, 2021 meeting. The spending plan includes five expenditure categories: recovery from the pandemic, direct assistance programs, public health and safety, critical infrastructure, and city fiscal health. Following the July 20th meeting, staff began to prepare for the implementation of the newly approved programs and projects. This included an analysis with Best Best & Krieger LLP (BBK) to confirm eligibility of projects in accordance with federal guidelines. Based on this analysis, two projects from the original spending plan were determined to be ineligible: Memorial to Lives Lost and Reimbursement of the Unemployment Fund and Paid Leave.

In response, staff is proposing to reallocate funding in the spending plan as follows:

- Reduce the Memorial to Lives Lost from \$200,000 to \$0
- Reduce the Reimbursement of the Unemployment Fund and Paid Leave from \$500,000 to \$0
- Reduce the Reserve for Revenue Loss Allocation from \$7,180,000 to \$2,880,000
- Increase the Sanitization and Prevention Project from \$2,300,000 to \$2,800,000
- Add the Public Health Plaza and Wellness Programming to the spending plan and allocate \$4,000,000
- Add the HR Service Enhancement Program to the spending plan and allocate \$200,000
- Add the Rent Stabilization and Just Cause Eviction Program to the spending plan and allocate \$300,000

Sanitization and Prevention Project

The Revive Santa Ana Spending Plan was initially revised on September 7, 2021 when the City Council approved the Sanitization and Prevention Project. The project involves \$2.3 million for enhanced sanitization and cleaning efforts of areas in qualified census tracts with high-foot traffic and frequented by the City's homeless population. Funding for two full-time Maintenance Workers II (limited term) and contract services will increase staffing levels to ensure high-traffic pedestrian/bicyclists areas are maintained and cleaned several times a week to ensure the timely removal of trash, debris, leaves, personal property, and other miscellaneous items. Enhancements of such services will inspire the public to engage in safe and healthy activities such as walking, biking and other outdoor activities. Maintaining the public areas free of these items will reduce the potential spread of dangerous pathogens and assist with recovery efforts from the effects of COVID-19. During the September 7, 2021 meeting, the City Council also approved an appropriation adjustment of \$1.8 million dollars for this project. Staff is requested an additional \$500,000 to fully fund this project.

Public Health Plaza and Wellness Programming

In response to the COVID-19 pandemic, the Human Resources Department is proposing to utilize \$4 million in ARPA funding to transform the City of Santa Ana Courtyard outside of City Hall into a COVID-19 and ADA compliant Public Health Plaza. This outdoor Public Health Plaza will help reduce the spread of COVID-19 and will be utilized for a variety of purposes, not limited to the following: host COVID-19 vaccination clinics; staging area for COVID testing; space for health, wellness programming and training; public communication efforts; community gathering and meeting space; public recreation event space; and an alternative outdoor Council Meeting space. The Public Health Plaza is located in a HUD designated Qualified Census Tract and is walking distance to several disadvantaged communities. The project will include ADA enhancements including new pavement and ADA compliant public restrooms, along with awnings to provide shade and cover from inclement weather.

Human Resources Service Enhancement Program

The HR Service Enhancement program will provide administrative support to all Revive Santa Ana projects through recruitment of staff, contract management support, and other administrative support functions.

Rent Stabilization and Just Cause Eviction Program

On September 20, 2021, the City Council authorized the City Manager to reallocate up to \$300,000 from the Revive Santa Ana Plan to create an Eviction Defense Fund by entering into an Agreement with a consultant for the administration, management and implementation of the rent stabilization ordinance and just cause eviction ordinance. Previously, the City Council had approved \$200,000 for a Covid-19 Memorial for Lives Lost. After reviewing the project with BBK, it appears that that project is not eligible for ARPA funding. Therefore, the Community Development Agency is requesting to reprogram the money allocated towards the Memorial, along with \$100,000 from the

Reserve for Revenue Loss Allocation to fund the Rent Stabilization and Just Cause Eviction Program.

Below are the final Revive Santa Ana Spending Plan allocations for each of the proposed expenditure categories for the first allocation (for FY 2021-22):

Expenditure Category	Original Amount	Revised Amount
Recovery from the Pandemic	\$5,400,000	\$7,500,000
Direct Assistance Programs	\$26,832,101	\$27,132,101
Public Health and Safety	\$16,350,000	\$20,350,000
Critical Infrastructure	\$21,250,000	\$21,250,000
City Fiscal Health	\$10,180,000	\$3,780,000
Total	\$80,012,101	\$80,012,101

Staff recommends that the City Council approve the 2nd Revision to the Revive Santa Ana Spending Plan.

ADMINISTRATION OF REVIVE SANTA ANA PROGRAMS

The implementation of the Revive Santa Ana programs requires an extensive amount of staff resources to administer and manage in accordance with federal program guidelines. In order to successfully administer the large volume of programs, staff is requesting the addition of several limited-term positions to augment existing staff resources and deliver these programs in an efficient and effective matter. The table below outlines the amount of limited-term positions requested by department. The complete list of requested classifications is outlined in Exhibit 1.

DEPARTMENT	NUMBER OF LIMITED-TERM FULL-TIME POSITIONS REQUESTED	6 MONTH TOTAL
City Manager's Office	1	53,160
Community Development Agency	10*	540,900
Finance and Management Services	3	154,620
Human Resources Department	1	57,600
Planning and Building Agency	4	234,420
Public Works Agency	2	85,440
TOTAL	21 POSITIONS*	\$1,126,140

**Includes Reallocation of One Existing Position*

Therefore, staff is seeking City Council's approval to adopt a resolution to amend the FY 21-22 annual budget to add twenty-one limited-term full-time positions and reallocate one

existing position to support in the administration of the Revive Santa Ana spending plan. All of the positions will be funded by Revive Santa Ana from their respective project budgets.

Staff anticipates the spending plan will evolve, as the U.S. Department of Treasury is continually updating the spending guidelines and program popularity and use will affect spending priorities.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

Multiple departments will manage the various spending initiatives, and accounting units have been set-up accordingly in the new ARPA special revenue fund 181 to account for Revive Santa Ana expenditures.

Department	Account Number	Amount
Community Development	18118013-6XXXX	100,000
Finance	18110013-6XXXX	(4,800,000)
Human Resources	18109013-6XXXX	4,200,000
Public Works	18117013-6XXXX	500,000

EXHIBITS

1. Resolution
2. Revive Santa Ana Spending Plan

Submitted By: Steven Mendoza, Assistant City Manager

Approved By: Kristine Ridge, City Manager