

The California State Budget Act of 2021 (SB 129) allocated \$439 million in one-time funds to the California State Library to address life-safety and critical maintenance needs of public library facilities throughout California. This competitive grant program prioritizes funding for local library facilities located in high poverty areas of the state. The maximum grant amount per library facility is \$10,000,000. Over 1,110 libraries Statewide are eligible to apply for funding. Funding will be prioritized for projects addressing life safety and other critical maintenance needs, and projects serving high poverty areas of the state. Other library infrastructure projects may be considered if funding remains after priority projects have been evaluated. Because this is a one-time competitive funding opportunity, the City is electing to apply for life-safety upgrades to the Orange Terrace, Arlington, and Arlanza, Branch Libraries (which are priority projects under the Grant Request for Proposal) and funding for a new SPC Jesus S. Duran Eastside library (which is not considered a priority project under the Grant Request for Proposal). Libraries with urgent life-safety repairs are taken from the Library’s approved Capital Improvement Plan, and are also in low-to-moderate income areas which are listed as Grant priority sites. Project details are briefly detailed below:

Library:	Address:	Grant Request (Project):	Total Funds Requested	Total City Contribution	Total Estimated Project Cost (With 10% contingency)
Orange Terrace Library	20010-B Orange Terrace Pkwy	HVAC Repairs	\$18,333.33	\$9,166.67	\$27,500
Arlington Library	9556 Magnolia Ave.	Roof Repairs	\$18,333.33	\$9,166.67	\$27,500
Arlanza Library	8267 Philbin Ave.	Roof Repairs	\$14,666.67	\$7,333.33	\$22,000
SPC Jesus S. Duran Eastside Library	4033 Chicago St. Suite C	Complete Structure at Council approved site adjacent to Cesar Chavez Center	\$10,000,000	\$6,500,000	\$16,500,000 (10% Measure Z contingency request made outside of Grant application)

DISCUSSION:

The Grant calls for individual Project applications, so the City has elected to apply for the four projects that are eligible.

Renovations to the existing SPC Jesus S. Duran Eastside Library space located at 4033 Chicago Avenue would require a 10-year commitment to the leased space. As the City Council has previously specified a new SPC Jesus S. Duran Eastside Library as a priority project, staff will submit an application for \$10 million to build the facility adjacent to the Cesar Chavez Center. The three other projects specified above are listed as priorities in the Grant RFP as they are situated within low-to-moderate income areas and require life/safety updates as defined in the Grant. Although the Grant typically requires a one-for-one cash match for awarded funds, the City’s

application qualifies for a special reduced match requirement at 50% (\$5 million) City cash match based on the Library's Local Operating Income Per Capital (LIPC) levels from fiscal year 2021-2022.

Measure Z represents the sole source of capital available for required match necessary for a Grant application, and would only be allocated if Grant funding is awarded. A grant award would represent approximately a 2:1 ratio of Grant funds to Measure Z contributions meaning the City would generate \$2 for every \$1 in Measure Z invested in these library projects. Some of the Measure Z contemplated as match has already been allocated from a Deferred Maintenance fund (\$25,667).

Grant applications are due on March 21, 2022. Grant funds awarded must be expended by March 31, 2026. Additionally, if funding is awarded, an authorizing resolution from the City Council is required prior to executing the grant agreement and requires a letter from the City's Chief Financial Officer verifying the availability to match grant funds. As required in the Grant, staff will return to the City Council with a Resolution if funding is awarded.

In accordance with the City Grant Administration Policy 01.006.00, the Department Director evaluated the grant to determine the benefit to the customers of the City's Library, long and short-term financial implications, feasibility and compatibility with existing City priorities/goals and services and determined the community and City would benefit with applying for this grant.

STRATEGIC PLAN ALIGNMENT:

This item contributes to Strategic Priority No. 1 Arts, Culture & Recreation: Provide diverse community experiences and personal enrichment opportunities for people of all ages and Goal 1.1 - Strengthen Riverside's portfolio of arts, culture, recreation, senior and lifelong learning programs and amenities through expanded community partnerships, shared use opportunities and fund development.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The City of Riverside has identified a priority for the needs of the Eastside Neighborhood residents in the City. Priority is based on responses from numerous community meetings held in 2017 through 2021 by the Library through Community Ward meetings, Board of Library Trustees meetings, and Parks, Recreation and Community Commission meetings. Riverside is transparent and makes decisions based on sound policy, inclusive community engagement, involvement of City Boards & Commissions, and timely and reliable information. Activities and actions by the City serve the public interest, benefit the City's diverse populations, and result in greater public good.
2. **Equity** – This report provides members of the community equal access. Riverside is supportive of the City's racial, ethnic, religious, sexual orientation, identity, geographic, and other attributes of diversity and is committed to advancing the fairness of treatment, recognition of rights, and equitable distribution of services to ensure every member of the community has equal access to share the benefits of community progress.
3. **Fiscal Responsibility** – The fiscal impact to the Measure Z Fund associated with this item is 50% City match and 10% contingency of the grant funds awarded. Riverside is a prudent

steward of public funds and ensures responsible management of the City's financial resources while providing quality public services to all.

4. **Innovation** – This item will allow the City of Riverside to capitalize on new and changing funding sources in partnership with state programs to meet ongoing and changing needs of the library community. Riverside is inventive and timely in meeting the community's changing needs and prepares for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – The application describes the specific actions that will be undertaken using the California State Library funds to meet the needs of the present without compromising the needs of the future and ensuring the City's capacity to persevere, adapt and grow during good and difficult times alike.

FISCAL IMPACT:

The total fiscal impact of the action is \$6,525,667 with a requested allocation of \$6,500,000 from Measure Z funding from unallocated fund reserves. The amount of \$25,667 will be allocated from the existing funding in the Measure Z contribution of \$25,667 from existing funds in the Measure Z Annual Deferred Maintenance Account No. 9901909-462050.

Measure Z unallocated reserves are projected to be approximately \$48 million at the end of fiscal year 2021/22. The approval of the \$6.5 million allocation will reduce available projected unallocated reserves to \$41.5 million. If the grant is not awarded, the funds will be returned to unallocated fund reserves and become available for other purposes. Additionally, consideration on moving forward with the project is contingent on successful certification of Measure C.

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availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
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