



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 13, 2025

FROM: OFFICE OF THE CITY MANAGER WARD: 1

SUBJECT: ACCEPTANCE OF A \$2,500,000 SUBCOMMITTEE APPROPRIATION FROM THE FEDERAL GOVERNMENT AS ADMINISTERED THROUGH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO FUND A SUBSTANTIAL RENOVATION OF THE ARMORY BUILDING AT FAIRMOUNT PARK – 2501 FAIRMOUNT BOULEVARD – SUPPLEMENTAL APPROPRIATION

ISSUE:

Accept a \$2,500,000 subcommittee appropriation from the federal government and approval of an Agreement with the U.S. Department of Housing and Urban Development to fund the substantial renovation of the Armory Building at Fairmount Park located at 2501 Fairmount Boulevard in the Downtown Neighborhood.

RECOMMENDATIONS:

That the City Council:

1. Authorize the acceptance of Two Million Five Hundred Thousand Dollars (\$2,500,000) from a federal subcommittee appropriation to support the substantial renovation of the Armory Building at Fairmount Park;
2. Approve a draft Grant Agreement (Exhibit B) with the U.S. Department of Housing and Urban Development (HUD) as the administering document for the federal subcommittee appropriation related to this Project;
3. Authorize the City Manager or designee to execute any and all funding documents associated with receipt and usage of this funding appropriation, making minor corrections as necessary; and
4. By at least five affirmative votes, and upon execution of a final Grant Agreement with HUD, authorize an increase in revenue to the Grants and Restricted Programs fund, Armory Renovations project account and corresponding appropriation to an expenditure account in the amount of \$2,500,000 or the actual grant award, to be established by the Finance Department.

BACKGROUND:

Annually the Office of Congressman Mark Takano has accepted submissions for Community Project Funding (CPF) requests. Unlike a regular grant application, which are submitted to federal agencies, cities submit a CPF funding proposals directly to their Senators and/or respective House Member. These funds can be directed toward a variety of initiatives such as infrastructure improvements, public safety, economic development and flood mitigation. The aim is to help local governments — as well as nonprofits and other entities — initiate pilot programs, address projects that may need closing dollars or help purchase equipment costs that are otherwise difficult to fund through typical state or federal grant programs.

CPF project submissions must have a federal nexus and meet other requirements established by federal law, rules established by the U.S. House of Representatives, and the subcommittee to ensure only high-quality projects are requested and funded. CPFs will only be accepted for seven congressional subcommittees covering a wide range of policy areas, from agriculture, energy, transportation, to housing and urban development. In Fiscal Year (FY) 2023, Congress designated \$15.3 billion for about 7,200 local or community projects nationwide through the CPF process.

In 2023, staff from the Office of the City Manager submitted a \$2.5 million CPF request for funding to complete critical renovations and modernization of the Armory Building at Fairmount Park. This funding request was done in conjunction with an analysis of the Park and Armory Building by Bloomberg Associates working with the Mayor's Office. In its funding request, the City Manager's Office argued that conversion of the Armory Building would improve service access for surrounding neighbors and that reactivation of the building would offer a new amenity within a park that is a noted economic gateway to the City's downtown core. In summer of 2024, the City was notified that the Armory Project had received its CPF funding request (Exhibit A).

DISCUSSION:

With the passage of a continuing budget resolution that contained the CPF request, the U.S. Department of Housing and Urban Development (HUD) contacted the City Manager's Office with a request to begin an environmental review process, set up the Project in the federal grants system, and to review an exemplar Grant Agreement that would be used for the final project agreement between HUD and City (Exhibit B). A finalized Agreement will be completed by HUD and executed by the City Manager utilizing authorities granted in this report.

The federal appropriation will fund a substantial renovation of the Armory Building structure to accomplish the following (not a complete list): Building stabilization and renovations required to convert a circa 1960's National Guard armory into a multiuse arts and recreation building within a larger park. Project components include building engineering analysis; replacement of electrical and water service; testing and potential abatement of lead and asbestos; installation of a new roof; ADA accessibility for restrooms; HVAC replacement; improved building specific lighting and outdoor area security lighting; security and locks for the building; and paint and signage.

Renovation of the armory building is part of a larger project to revitalize Fairmount Park to better serve the community and create a vibrant and fiscally sustainable recreational resource for the community. The objective is to repurpose the underutilized armory building to better serve the community with recreational amenities

The City will hire consultants and contractors to evaluate the building, prepare plans and specifications for building and safety permit approvals, and perform abatement activities and construction to bring the building up to current building and safety codes to make the building ready for re-purposed community use. The outcome will be a revitalized Armory Building that meets current building and safety codes and is ready to provide recreational activities for the community.

STRATEGIC PLAN ALIGNMENT:

Funding for the Armory Building project aligns with the Community Well-Being Strategic Priority and contributes to the achievement of the following Goal:

Goal 2.3. Strengthen neighborhood identities and improve community health and the physical environment through amenities and programs that foster an increased sense of community and enhanced feelings of pride and belonging citywide.

The Armory Building Project also aligns with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – The City of Riverside has identified the need for quality recreational facilities in the City’s Parks Master Plan process. The City’s Parks Master Plan outreach process gathered information from specific focus groups and interviews with various organizations and service providers in the development field, as well as residents of the city.
2. **Equity** –The Armory Building Project ensures that all eligible persons receive equitable access to service and are served with dignity, respect, and compassion regardless of the circumstances, ability, or identity.
3. **Fiscal Responsibility** – There is no fiscal impact to the City General Fund associated with this item. This item allows the City to utilize a federal appropriation to build a recreational facility to create a neighborhood amenity for City residents.
4. **Innovation** – This item will allow the City to capitalize on new and changing funding sources in partnership with federal and state programs to meet ongoing and changing needs of low to moderate income members of the community.
5. **Sustainability & Resiliency** –The Armory Building Project promotes a sustainable community and economic development and projects to encourage community engagement and resiliency.

FISCAL IMPACT:

There is no impact to the General Fund. Funding for this item comes from a federal subcommittee appropriation. After City Council approval and execution of a specific Grant Agreement with HUD, an increase in revenue will be made, and an appropriation to expenditure account in the amount of \$2,500,000, to the Grants and Restricted Programs Fund, in an Armory Project rehabilitation account to be established by the Finance Department.

Prepared by: Jeff McLaughlin, Grants Administrator
Certified as to
availability of funds: Kristie Thomas, Finance Director and Assistant Chief Financial
Officer/Treasurer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

A – Award Letter
B - Exemplar HUD Grant Agreement