



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: MARCH 19, 2024**
FROM: OFFICE OF THE CITY MANAGER **WARDS: ALL**
SUBJECT: ANNUAL REPORT FOR CALENDAR YEAR 2023 CITYWIDE GRANT ACTIVITIES

ISSUE:

Receive and file the Annual Report for Calendar Year 2023 Citywide Grant Activities.

RECOMMENDATIONS:

That the City Council receive and file the Annual Report for Calendar Year 2023 Citywide Grant Activities.

BACKGROUND:

The role of grants in municipal service provision in the city of Riverside cannot be overstated. Throughout 2023, there were approximately 230 active grants (from all years) funding projects and programs for City residents. The City is a robust grant writing operation, and submits specialized grants across departments from small sums to multimillion-dollar applications. Last year the Office of the City Manager produced a first-of-its-kind annual grants report in order for the City Council and residents to get a sense of the Riverside's external funding operation. The goal of the Riverside's grant program is to secure funding for services and projects for which the City otherwise would be required to utilize local tax dollars. Riverside has also been positioning itself to take advantage of a wave of funding at the federal and state level that will provide monetary assistance to city projects and programs over the next several years. In its second year of analysis, **the City had a record year in 2023; receiving over \$200 Million in competitive grants and earmarks.** This report details all grant funds received for the year and offers comparison and other analysis to make sense of the money received and community impacts.

DISCUSSION:

The annual 2023 Citywide Grants Report is the City's second annual report containing an inventory and analysis of all grant activity from the previous calendar year. The report serves to provide a comprehensive overview of all Citywide grant activity, with the goal of documenting the progress that the City of Riverside has made to improve its internal grant operations and overall performance.

The City hired its first grants specific staff for the Office of the City Manager in late 2022 and established a panel of external grant writers to assist with applications. Since that time, the Office of the City Manager in partnership with City departments has built-out the Citywide grant management function by developing processes to strengthen strategic alignment, provide trainings, facilitate robust internal reviews, share resources and funding opportunities Citywide, and improve fiscal accountability.

The annual Citywide Grants Report tracks grant funding pursued by, and awarded to, the City each calendar year. The annual 2023 report illustrates a continued upward trend in both the number and value of the City's submitted grant applications and awards. It is important to note that many awards contained in this report were applied for in or before CY 2023, and we include multi-year grant disbursements that are near the beginning of their grant terms. Grants that are largely expended or are in a closeout status in 2023 were excluded from this analysis.

2023 Grants Overview:

In Calendar Year 2023 the City received approximately \$212,116,067 in new grant funds from various funding types including competitive, entitlements, and appropriation//earmark sources. These individual grants are broken down below and compared to last year's productivity.

Table 1. – Year Over Year Comparison of Grant Activity

	Prior Year (2022) Grant Activity	Current Year (2023) Grant Activity	Year-Over-Year Difference
Competitive Funded Applications	\$115,019,122	\$172,353,014	+ \$57,333,892
Competitive Earmarks	\$25,000,000*	\$29,500,000	\$4,500,000
COVID/ARPA	\$76,344,699	N/A	- \$76,344,699
Entitlements	11,047,769	\$10,263,053	- \$784,716
TOTALS:	\$227,411,590	\$212,116,067	- \$15,295,523

* This reporting includes a correction to the 2022 annual grants reporting. Earmark reporting for CY 2022 (year one reporting) was reduced. The \$25 million Cesar Chavez Center earmark funding was reported in this staff report as contracts for the Project were not completed with the State of California until February of 2023, technically making the project funding reportable in this analysis.

In terms of competitive grants (competitive applications and competitive earmarks), the City has a very strong year, with 51 awarded grant applications. This activity is over \$57 million more awarded than in the last calendar year and a 60% increase in awarded funding activity. A list of awarded grants for Calendar Year 2023 is included in this staff report as Exhibit 1. The major differences year-over-year that account for a drop in funding activity is the exclusion of a large tranche of COVID/American Rescue Plan Act (ARPA) funding, a slight downturn in funding from federal entitlements, and fewer (but still significant) competitive earmarks for Calendar Year 2023.


The funding received by the City is comprised of 75% from State sources, 23% from federal agencies, and 2% from the County and private organizations. Also, the City received an approximately 20/1 split between competitive funding applications and non-competitive, or

formula-based, allocations.

In terms of comparisons to the City's General Fund, as compared to the General Fund (FY 2023/24) budget of approximately \$327 million, then competitive grant work alone (competitive and earmark) would be 62% of the General Fund, and all grant work (competitive, earmark, and entitlement) would be 65% of the General Fund total. Grant writing makes a substantial positive impact to the funded operations of municipal programs and projects, allowing the City to expand existing services and programs as well as onboard new initiatives that may have otherwise been financially out of reach.

Grant funded programs have real impacts for city residents. Highlights are included in the chart below.

Table 2. - Impact of Grant funds on Riverside Residents

Public Works and Transportation	Public Safety
<p>Improved over 400 intersections to increase pedestrian safety.</p>  <p>Received funding to develop "Safe Routes to School" plans for 50 schools Citywide.</p> <p>Secured federal grant funds to construct a transformative road diet traffic calming along Main Street between Third Ave and the 60 Freeway.</p>	 <p>Supported 55 businesses by funding security improvements through ARPA.</p> <p>Purchased over 110 Bullet Proof Vests to protect public safety personnel.</p> <p>Provided community resilience/CERT Equipment including 300 backpacks with hard hats, vests, safety goggles, and protective leather gloves.</p> <p>Installed diesel exhaust systems at Fire Station 13 and 14 to remove carcinogen fumes from the garage bay area, which can cause cancer from inhaling the fumes emitted by the apparatus.</p>
Housing and Homelessness	Libraries, Parks, and Youth
 <p>Housed 27 formally homeless individuals coupled with case management.</p> <p>Completed 124 affordable units under construction and put another 234 affordable housing units into the pipeline for development.</p>	 <p>Expanded lending capacity for the library, serving an additional 1,567 patrons who ordered 1,801 interlibrary loan items.</p> <p>Provided transportation services to 74,377 senior and disabled residents of Riverside.</p>

<p>Opened a homeless service clinic with UCR Medical School that has served 2,000 patients.</p> <p>Assisted 61 homeless individuals case management.</p> <p>Engaged almost 6,000 homeless individuals through Street Outreach.</p>	<p>Provided Wellness Class services addressing social, emotional, and mental health needs for 150 Riverside youths.</p> <p>Provided free and/or reduced swim lessons, swim passes, lifeguard training, and senior aquatic programming for 15,847 residents.</p> <p>Offered scholarships for lifeguard education courses, and water safety education for 427 youths.</p>
Sustainability and Resiliency	
<p>The WQCP Riverside Bioenergy Facility will offer the City the future ability to convert 200 tons-per-day of City of food waste to renewable natural gas.</p>	

City Comparisons:

Riverside compares to similar California cities by population quite favorably. The chart below compares Riverside with other California cities.

Table 3. – Grant Comparisons with Other California Cities

	Awarded Competitive Grants 2023:	Population:	Grant Funds Per Capita:
San Diego	\$306,470,386	1.382 Million	\$221/Per Capita
Riverside	\$201,853,014	317,261	\$636/Per Capita
Bakersfield	\$73,000,000	407,615	\$179/Per Capita

Departmental Productivity:

Grants received this year were concentrated in eight departments. These departments, through the hard work of talented City staff, produced a **record amount of awarded funding applications**. Total funded competitive applications, by department, are detailed below. A complete list of funded competitive applications is included as Exhibit A, which is categorized by municipal department.

- Community and Economic Development - \$975,000
- City Manager / Mayor - \$1,740,075
- Fire - \$1,697,992
- Housing and Human Services - \$35,327,819
- Library - \$14,754,960
- Police - \$1,062,527
- Parks, Recreation, and Community Services - \$41,201,908
- Public Works - \$105,092,733

Appropriations/Earmarks from the State and Federal Budget

The City received (in partnership with other agencies) \$29,500,000 in State appropriations that benefit local infrastructure projects. Proposals in the earmark process are submitted by the City through State elected offices and are funded via the State budget process. With earmarks, the City vies with other localities that propose projects. Other supplemental funding that the City received through direct governmental appropriation includes:

Table 4. - State and Federal Appropriations

	Grantor	Value
Cesar Chavez Center Renovations	State	\$25,000,000*
New Eastside Library	State	\$4,500,000
Total:		\$29,500,000

Note: In 2023 the City was also a pass-through agency/administrator for \$1 million in State earmark funds that benefitted the Civil Rights Institute of Inland Southern California and the Riverside Arts Academy.

Entitlement Grants:

Entitlement Grants provide annual allocations on a formula basis to “entitlement” cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The City of Riverside is an “Entitlement Grantee” for the U.S. Department of Housing and Urban Development (HUD) allocations and for State local housing funds. “Entitlement cities,” for HUD grants are central cities of Metropolitan Statistical Areas (MSAs), other metropolitan cities with populations of at least 50,000, and qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities) that are “entitled” to receive annual grants through a formula calculation. HUD determines the amount of each entitlement grant by a statutory dual formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas.

The State of California’s Permanent Local Housing Allocation Program (PLHA) provides funding to local governments in California for housing-related projects and programs that assist in addressing the unmet housing needs of their local communities. Specifically, PLHA is funded via a \$75 recording fee on real estate documents to increase the supply of affordable homes in California. Because the number of real estate transactions recorded in each county will vary from year to year, the revenues collected and local allocations will fluctuate.

Table 5. – Federal and State Entitlement Grants

	Grantor	Value
Community Development Block Grant (CDBG)	Federal	\$2,863,437
HOME Investment Partnerships Act (HOME)	Federal	\$1,243,818
Emergency Solutions Grant (ESG)	Federal	\$255,400
Housing Opportunities for Persons with AIDS (HOPWA)	Federal	\$4,509,763

Permanent Local Housing Allocation (PLHA)	State	\$1,390,635
Total:		\$10,263,053

Entitlement grants benefit a number of Riverside partners who in turn provide necessary services for low-to-moderate income City residents. In 2023, the City provided the following grants to provide programs/projects that benefit Riverside residents.

Table 6 - 2023 Awarded Community Development Block Grant (CDBG) Projects and Programs:

Fiscal Year 2023	Grantor	Value
Department of Public Works		
Various sidewalk improvement projects in Wards 2 and 5		\$925,234.00
Department of Housing & Human Services		
Riverside Access Center- Rehabilitation Project		\$661,000.00
Office of Homeless Solutions		
Homeless Life Skills Classes		\$10,000.00
Riverside at Work		\$15,000.00
City of Riverside Parks, Recreation and Community Services		
Nichols Park- Playground Equipment Improvements and Villegas Park parking lot/trail drainage improvements		\$275,000.00
Sports Classes Scholarships		\$18,515.55
Senior Breakfast/Brunch		\$14,000.00
Recreational Arts Program		\$15,000.00
Project BRIDGE		\$13,000.00
Arlington Temporary Assistance		\$33,000.00
Assistance League of Riverside		\$18,000.00
Big Brothers Big Sisters of the Inland Empire		\$13,000.00
Catholic Charities San Bernardino & Riverside Counties		\$18,000.00
Fair Housing Council of Riverside		\$90,000.00
Girls on the Run Riverside County		\$10,000.00
Inspire Life Skills Training		\$20,000.00
Janet Goeske Foundation		\$18,000.00
Junior League of Riverside		\$15,000.00
Mercy House Living Center		\$11,000.00
Operation SafeHouse (2)		\$34,000.00
Path of Life Ministries		\$90,000.00
Rebirth Home		\$12,000.00
Riverside Area Rape Crisis Center		\$20,000.00

Transgender Health and Wellness Center		\$20,000.00
Voices for Children		\$12,000.00
Total:		\$2,380,749

The Larger Grants Ecosystem - External Grant from Outside Partners :

The City of Riverside is one of a large group of regional partners that write grants that indirectly produce benefits for the city. Riverside's academic partners, particularly at the University of California at Riverside, continue to receive innovative grants that build the campus (and Inland Region's) reputation for advanced research and innovative programs.

For instance, in the FY 2022/23 UCR received approximately \$184 million in external grant funding. This collective grant work assists the city indirectly through the local hiring and sourcing of materials. Partner grant work also completes great projects that allow Riverside to attract a higher quality workforce, retain locally educated students, and to continually build a reputation for the Inland Region as a place to conduct advanced research and manufacturing. A detail of specific local grant funded projects being implemented by local partners is presented below.



Table 7. – External Agency Projects in the City

	Grantor	Value
Trujillo Adobe ²	State	10,500,000
State Historic Citrus Park ¹	State	30,000,000
Total:		\$40,500,000

¹ The State of California appropriated a total of \$30,000,000 for the purpose of building a multiuse center. These monies were awarded by the State of California to Friends of the State Citrus Park.

² The State of California appropriated a total of \$10,500,000 for the purpose of restoring the Trujillo Adobe. These monies were awarded by the State of California to the property owner – the County of Riverside.

City staff continues to be committed to continuing strategic work to compete strategically for grants that fund the needs of Riverside's diverse communities, while also supporting partner agencies on applications with shared regional benefits.

STRATEGIC PLAN ALIGNMENT:

This item aligns the Envision Riverside 2025 Strategic Plan as providing, "High Performing Government," especially Goal 5.4 to maintain fiscal health by addressing gaps between revenues

and expenditures.

This report also aligns with the five cross-cutting threads:

1. **Community Trust** – Building grant capacity will serve the public interest by potentially expanding programs and completing projects with external funding; benefiting the City's diverse populations, and resulting in greater public good.
2. **Equity** – Outside funding can be used to allow more City departments to be creative and competitive for grants, resulting in a more equitable distribution of funding opportunity that can reach populations citywide. In addition to grants supporting Citywide operations, City staff also seek grant funding to directly benefit disadvantaged communities and residents in need of aid.
3. **Fiscal Responsibility** – The City maximized outcomes in usage of grant funds as a way to lessen pressure on the General fund and other limited resources. These grants also help to leverage existing dollars committed to projects and programs.
4. **Innovation** – This funding provides the City with the ability to create an innovative program for building capacity with the result in receiving greater external funding.
5. **Sustainability & Resiliency** – Riverside builds capacity to allow more departments to apply for grants, and compete for funding that allows the City to adaptively address resident needs.

FISCAL IMPACT:

There is no fiscal impact associated with this report. This is a report that updates Calendar year 2023 grants and revenue enhancement activities. Specific grant applications and/or projects that require funding appropriations will be brought to the City Council separately for consideration.

Prepared by: Jeff McLaughlin, Grants Administrator
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Mike Futrell, City Manager
Approved as to form: Phaedra Norton, City Attorney

Exhibit A – Awarded Grants List 2023