



CITY COUNCIL AGENDA STATEMENT



October 20, 2020

File ID: 20-0424

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING THE CITY MANAGER TO ENTER INTO AGREEMENTS WITH SOUTH BAY COMMUNITY SERVICES, ELITE ATHLETE SERVICES, AND LIVING COAST DISCOVERY CENTER, FOR ALLOCATIONS OF STATE CARES ACT CORONAVIRUS RELIEF FUNDS

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

This item seeks to obtain Council's approval to enter into a Contractor/Service Provider Agreement with South Bay Community Services using Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Funds (CFR) from the State of California in the amount not to exceed \$200,000 to be used for a food distribution program service. This item also seeks to obtain Council's approval to enter into agreements with Elite Athlete Services and Living Coast Discovery Center to ensure compliance with the CARES Act CRF requirements related to the allocation of State CARES Act CRF in amounts not to exceed \$200,000 and \$75,000, respectively.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because the proposed activity consists of a governmental fiscal/funding mechanism which does not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not Applicable

DISCUSSION

On March 27, 2020, the President of the United States signed into law the Coronavirus Aid Relief and Economic Security Act (CARES Act), which authorized \$2.1 trillion in federal relief related to the impacts of the COVID-19 public health pandemic. The CARES Act established the Coronavirus Relief Fund (CRF) and

appropriated \$150 billion to the CRF to be used to make payments for specified uses to States and certain local and tribal governments. Based on the state's population, California received a total of \$15.3 billion from the CRF, with \$9.5 billion paid to the state and \$5.8 billion paid to cities and counties with populations over 500,000, including approximately \$334 million paid to the County of San Diego.

On June 29, 2020, the Governor of California signed the Fiscal Year 2020-21 Budget, which included a provision for allocating \$1.8 billion of the state's share of CARES Act CRF funds (State CRF Funds) to cities that did not receive a direct allocation from the federal government. City Council Agenda Item 20-0356 approved the allocations per City Council adopted Resolutions 2020-204 and 2020-205 on August 25, 2020 that approved the City's allocation of State Cares funding and authorized service provider Agreements for various social services. Subsequent to the August 25th Council item, there has been a significant increase in need for food distribution for residents impacted by COVID-19. The City currently has an agreement with South Bay Community Services to provide such services. This item will increase the allocation to South Bay Community Services in an amount not to exceed \$200,000 to meet the increased demand. This item authorizes the City Manager to enter into a new Contractor/Service Provider Agreement with South Bay Community Services to utilize CARES funding.

The City currently has an agreement with Elite Athlete Services for the operation of the Chula Vista Elite Athlete Training Center. Due to the impacts of COVID-19, the Elite Athlete Training Center has experienced, and expects that it will continue to experience, a significant drop in revenue in addition to changing operations to meet with current protocols to protect resident and non-resident athletes. The City is allocating a grant not to exceed \$200,000 to cover the costs of: business interruption due to cancelled reservations as a result of foreign and domestic teams inability to travel, implementation of athlete quarantine protocols, changes to dining hall operations, and establishment of additional cleaning and disinfecting supplies and protocols.

The City previously granted \$100,000 to the Living Coast Discovery Center to help keep the facility operational until spring or at such time that schools are able to open and reserve classes. Following the City's grant, the Living Coast Discovery Center received notice from another partner that they were going to withdraw their commitment putting the Living Coast Discovery Center at a potential shortfall. This item will increase the allocation to the Living Coast Discovery Center in an amount not to exceed \$75,000 to keep the facility operational through spring of 2021.

South Bay Community Services, Elite Athlete Services, and Living Coast Discovery Center will have the burden to demonstrate to City that they have expended allocation amounts in compliance with CARES Act Coronavirus Relief Fund requirements.

Staff recommends that Council adopt the Resolution, which authorizes the City Manager to enter into a City of Chula Vista Contractor/Service Provider Services Agreement with South Bay Community Services for a Food Distribution Program and additionally authorizes the City Manager to enter into agreements with Living Coast Discovery Center and Elite Athlete Services, to ensure compliance with the CARES Act CRF requirements and in accordance with the general terms and conditions outlined above.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member, or any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

The Finance Department has established a grant revenue and expenditure account for CRF. Based on the City of Chula Vista's approved State CRF allocation plan, we are anticipating a reimbursement to the General Fund in the current fiscal year. This will assist in offsetting the anticipated impacts due to the COVID-19 crisis.

ONGOING FISCAL IMPACT

There is no ongoing fiscal impact related to this allocation as no matching funds are required.

ATTACHMENT

Staff Contact: Kelley Bacon, Deputy City Manager