

City of Chula Vista
Recovery Plan

**State and Local Fiscal Recovery
Funds**
2023 Report

**City of Chula Vista’s
Coronavirus State & Local Fiscal Recovery Funds
2023 Recovery Plan**

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Executive Summary

On May 10, 2021, the US Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), established by the American Rescue Plan Act of 2021 (ARPA), to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. The SLFRF funds provide substantial flexibility for each jurisdiction to meet local needs—including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds also deliver resources that recipients can invest in building, maintaining, or upgrading their water, sewer, and broadband infrastructure.

The City of Chula Vista's allocation from the ARPA SLFRF is \$57.5 million. Staff carefully evaluated the allowable uses of ARPA SLFRF funds to best leverage these resources for the community on unfunded projects that would negatively impact the City's General Fund. Staff believes the adopted spending plan makes critical investments in economic development, small business recovery, strategic infrastructure projects, and operational support and public health while working to minimize arduous federal reporting requirements through the revenue recovery/replacement approach. Most importantly, the adopted spending plan prioritizes the importance of equity as we work towards a community recovery from the COVID-19 health and economic crises.

Treasury has released updates to the Final Rule guidance, most recently in July 2022 expanding the eligibility of ARPA funding for affordable housing production and preservation; and in June 2023 informing recipients that premium pay to eligible workers may not be used effective April 10, 2023, due to the end of the National Emergency. Furthermore, as of the April 2023 reporting period, the City's revenue loss amount has surpassed the total awarded amount. Thus, allowing the full awarded amount eligible under the revenue recovery category. On July 25, 2023, City Council approved staff's recommendation to amend the City's spending plan to create new projects and reallocate project that have not reported expenditures to Treasury, be created or reallocated to the revenue recovery expenditure category. This use ensures continuity of vital government services by filling pandemic-caused budget shortfalls, minimize administrative burden and streamline reporting requirements.

Use of Funds

The table below reflects the City Council's currently approved allocations of SLFRF funds for the City of Chula Vista. These SLFRF funded projects support the overall goal of achieving a strong and equitable recovery from the COVID-19 pandemic and economic downturn through investing in public health, addressing ongoing negative economic impacts caused by the pandemic, promoting economic development projects in Chula Vista, investing in critical City infrastructure, and the use of revenue recovery funds to maintain and enhance services to City residents.

City of Chula Vista - ARPA Spending Plan				
Category	FY 2022 Final Budget	FY 2023 Final Budget	FY 2024 Revised Budget	Total Cumulative Budget
EC 1 - Public Health	\$ 867,625	\$ 967,625	\$ (851,868)	\$ 983,382
COVID Testing/Vaccinations	667,625	367,625	(851,868)	183,382
SBCS Domestic Violence	200,000	200,000	-	400,000
Casa Nueva Vida DV Shelter	-	400,000	-	400,000
EC 2 - Negative Economic Impacts	\$ 300,000	\$ 300,000	\$ -	\$ 600,000
Jacobs and Cushman San Diego Food Bank	100,000	100,000	-	200,000
Alpha Project - Take Back the Streets	100,000	100,000	-	200,000
Homeless Supportive Services	100,000	100,000	-	200,000
EC 2 - Economic Development	\$ 2,900,000	\$ -	\$ (51,951)	\$ 2,848,049
Small Business Grants	2,600,000	-	-	2,600,000
Choose Chula	100,000	-	-	100,000
Curb/Sidewalk Café Grant	200,000	-	(51,951)	148,049
EC 3 - Premium Pay to Essential Workers	\$ 916,000	\$ 1,541,000	\$ -	\$ 2,457,000
EC 6 - Revenue Recovery	\$ 11,592,750	\$ 15,827,692	\$ 23,226,377	\$ 50,646,819
Governmental Funds	11,592,750	15,827,692	23,226,377	50,646,819
EC 7 - Administrative Expenses	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 16,576,375	\$ 18,636,317	\$ 22,322,558	\$ 57,535,250

The following information summarizes the SLFRF funded projects within each expenditure category and provides additional detail on how these projects support the overall goal of achieving a strong and equitable recovery from COVID-19 pandemic and economic downturn.

Public Health

- COVID-19 Vaccinations:** This project provided adequate access to COVID-19 vaccines for underserved and highly impacted communities. The City of Chula Vista and the surrounding South Bay communities had among the highest COVID-19 infection rates in San Diego County. Additionally, Chula Vista City staff, specifically Fire and Police Departments, were at increased exposure and risk of contracting COVID-19. Vaccines were proven to be the best defense against severe disease and death. Having these vaccines available was a significant benefit to the Chula Vista community and surrounding South Bay areas. The City also established a mobile vaccination unit to offer free COVID-19 vaccinations to the South Bay communities, in senior residential care facilities, schools, libraries and other facilities. After nearly three years, the State of California and the County of San Diego ended the COVID-19 emergency proclamation on February 28, 2023. The City's testing and vaccinations program came to an end on that same date.
- COVID-19 Testing:** In response to the disproportionate impact of the pandemic on the South Bay region and to better serve and protect the community, the City opened a City-run public COVID-19 testing site, free to Chula Vista and the surrounding communities. Testing was offered at City Hall by the Fire Department, Monday through Friday. After nearly three years, the State of California and the County of San Diego ended the COVID-19 emergency proclamation on February 28, 2023. The City's testing and vaccinations program came to an end on that same date.

- **South Bay Community Services (SBCS) Domestic Violence:** Project funds are for an agreement with the SBCS Domestic Violence Program to deliver critical assistance to victims of domestic violence. The program provides a Domestic Violence Response Team (“DVRT”) for emergency response via a 24-hour assistance hotline with access to emergency shelters, strengths-based assessments and safety planning for victims and their children; individual counseling and group/family counseling; unique therapeutic pre-school (Mi Escuelita); and ongoing case management and support for victims.
- **Casa Nueva Vida Domestic Violence Shelter:** This project provides funding to the Casa Nueva Vida Domestic Violence Shelter operations. Casa Nueva Vida offers the only short-term shelter/housing program for homeless families (with children) in the South Bay region, including victims of domestic violence.

Negative Economic Impacts

- **Jacobs & Cushman San Diego Food Bank:** Funding for this project has allowed emergency food assistance to individuals and families impacted by the pandemic. With this allocation of funding and working closely with over 35 Chula Vista nonprofit partners, the San Diego Food Bank will ensure that the City of Chula Vista continues to provide adequate assistance to our neighbors in need.
- **Alpha Project – Take Back the Streets:** This project provides funding to the City program which has served as a catalyst for homeless individuals who are able to work, providing them with immediate transitional employment and training while providing the community with vital services through the removal of over one million pounds of trash and debris throughout Chula Vista.
- **Homeless Supportive Services:** This project provides support for the ongoing efforts by the City’s Homeless Outreach Team (HOT) to provide a continuum of services for the homeless, at risk and low-income households. The program is designed to work in tandem with the City’s Housing and Homeless Services Department programs by offering unique and individual assistance to homeless individuals requiring stable housing and self-sufficiency.

Economic Development

- **Small Business Grants:** The San Diego Foundation administered the City’s Small Business Grant Program, including \$2.6 million in SLFRF funds and a \$1.0 million from the San Diego Foundation match. A total of \$3.6 million was granted for economic relief and assistance to small businesses and nonprofits.
- **Choose Chula Application Business Marketing & Development:** Small businesses were disproportionately impacted by the pandemic and providing support to aid in their equitable economic recovery was critical. Staff sought creative ways to bolster a circular economic recovery, increase consumer confidence and provide businesses with marketing support, a key area of help identified in a city-wide business survey. The Choose Chula app is a free platform, funded by the City of Chula Vista, designed to reward residents and visitors with points for shopping at local businesses in Chula Vista. Each local reward point equals \$1, which can be easily redeemed at local businesses that choose to participate.

- **Curb/Sidewalk Café Grants:** This project helped create attractive and accessible curb cafes and sidewalk cafes along the Third Avenue business corridor and facilitated a safe re-opening and recovery of the Chula Vista's local economy and consumer confidence.

Premium Pay to Essential Workers

- **Premium Pay to Essential Workers:** The City's Essential Worker Stipend was for workers performing essential duties during this public health emergency. Treasury's final rule emphasized the need for recipients to prioritize premium pay for lower income workers and requires specific justification for how it responds to the needs of these workers. In addition, employers were both permitted and encouraged to use Coronavirus State and Local Fiscal Recovery Funds to offer retrospective premium pay, recognizing that many essential workers have not yet received additional compensation for work performed. Due to the end of the National Emergency, Treasury has updated its guidance and effective April 10, 2023, ARPA funds may no longer be used for premium pay to eligible workers.

Revenue Replacement

An eligible use of ARPA funding is the replacement of revenue loss of local governments due to the COVID-19 public health emergency. This use ensures continuity of vital government services by filling pandemic-caused budget shortfalls. ARPA fund recipients calculate and report revenue loss annually according to the formula outlined in the final rule, supporting those entities that experience a lagged impact of the crisis on revenues. Per the final rule, upon update, any prior revenue loss election will be superseded. The City has calculated and submitted to Treasury updated revenue loss amounts annually using audited financial data and reported the following revenue loss: Calendar Year 2020 \$31.9 million; Calendar Year 2021 \$30.2 million and most recently for Calendar Year 2022 \$57.7 million. Importantly, once a shortfall in revenue is identified, recipients will have broad latitude to use this funding to support government services, up to this amount of lost revenue. As of the April 2023 reporting period, the City's revenue loss amount has surpassed the total awarded amount and therefore is allowed to use the entirety of ARPA funds under the revenue Recovery eligible use category. The replacement of lost revenues represents a unique opportunity to reallocate Revenue Recovery funds towards projects classified as infrastructure projects, operational support, and economic development activities in the original plan. This approach is consistent with the broad latitude provided to recipients to use ARPA funds for government services to the extent of the reduction in revenue due to the pandemic. Recipients are encouraged to report based on existing budget processes and to minimize administrative burden. Utilizing the Revenue Recovery Category will allow greater flexibility, with more streamlined and less cumbersome reporting requirements.

The table below reflects the current allocation of the Revenue Recovery funds:

Governmental Fund Revenue Replacement Recommendation				
Category	FY 2022	FY 2023	FY 2024	Total Budget with Proposed Adjustments
	Final Budget	Final Budget	Revised Budget	
Operational Support	4,042,750	9,267,692	(1,249,377)	12,061,065
Development Services Fund	-	1,000,000	-	1,000,000
COVID Premium pay	692,750	1,661,250	-	2,354,000
Funding new positions	350,000	350,000	298,814	998,814
PW Proj Mgmt-Non CIP Proj (PWP0001)	1,000,000	500,000	-	1,500,000
SD Foundation Fees	-	180,000	-	180,000
General Governmental Services	2,000,000	5,576,442	(1,548,191)	6,028,251
Infrastructure	6,500,000	4,400,000	25,657,558	36,557,558
Broadband Design (GGV0263)	-	-	900,000	900,000
Main Street Fiber (GGV0258)	300,000	-	-	300,000
Telegraph Canyon Culvert Repair (DRN0208)	3,200,000	2,950,000	-	6,150,000
Loma Verde Community Center (GGV0247)	2,000,000	-	(1,765,000)	235,000
Casa Casillas (GGV0262)	1,000,000	1,450,000	-	2,450,000
HVAC (Project GGV0261)	-	-	10,000,000	10,000,000
Eucalyptus Park Renovation (PRK0340)	-	-	3,522,558	3,522,558
Palomar Motel (GGV0270)	-	-	13,000,000	13,000,000
Economic Development	1,050,000	2,160,000	(1,181,804)	2,028,196
Public Art Grants(Library)	400,000	-	-	400,000
Starlight Nights	200,000	-	-	200,000
Equity and Inclusion	100,000	100,000	-	200,000
ADA Transition Plan Update	-	-	1,100,000	1,100,000
Public Engagement Platform	-	-	128,196	128,196
University Innovation Center/Recruitment	350,000	2,060,000	(2,410,000)	-
TOTAL	\$ 11,592,750	\$ 15,827,692	\$ 23,226,377	\$ 50,646,819

- **Development Services Fund:** This funding will be used for services related to permitting and building code information to the general public, as well as processing and issuing various permits and conducting related inspections. Funds will also be used to digitize permit records, increasing ease of access to public records, and to support continued automation efforts, increasing permitting efficiency and improving customer service.
- **COVID Premium Pay:** City’s Essential Worker Stipend was for workers performing essential duties during this public health emergency. Per Treasury’s updated guidance, ARPA funds may not be used for premium pay to eligible workers, effective April 10, 2023.
- **Funding New Positions:** Two new positions were added to support SLFRF operations and project delivery: a citywide grant coordinator and an information security role.
- **Public Works Project Management:** A Public Works project management team was added to centralize project delivery of SLFRF infrastructure projects.
- **Administrative Expenses - San Diego Foundation:** The City entered into an agreement with the San Diego Foundation to administer the Small Business Grant program on the City’s behalf and agreed upon a fee of \$180,000 for program administration which included: a) administration of the grant program to provide direct grants to economically disadvantaged and at-risk businesses and to nonprofits serving the City of Chula Vista or its residents; b)

ensuring a process to obtain accurate and complete applications for grants, document applicant's compliance with eligibility requirements, and approve applications meeting the eligibility requirements; and c) issuing or directing payments to awardees for approved applications and maintaining records of all payments.

- **General Governmental Services:** This funding is for restoration of general government services—public safety, parks and recreation, public works—to the extent of the City's revenue loss.
- **Broadband Design:** This project will support the City's Digital Equity and Inclusion Plan and Telecommunications Master Plan, preparing engineering and construction documents enabling high-speed wireless internet access (Wi-Fi) to the public at all City facilities in the future. Staff will look to future grant opportunities of the proposed Federal infrastructure bill to fund construction.
- **Main Street Fiber:** The project goal is to connect sprawling City facilities (Otay Recreation Center, Animal Shelter and Public Works Facility) to the existing fiber infrastructure located at City Hall. This will allow the future opportunity to provide free high-speed wireless internet access (Wi-Fi) to the public at the Otay Recreation Center. Connecting these facilities will assist the City in beginning to bridge the digital divide, highlighted during the pandemic.
- **Telegraph Canyon Culvert Repair:** The existing Telegraph Canyon storm drain system is not adequate to convey water during a 100-year peak flow event, requiring significant drainage improvements to be made to protect both private facilities and public infrastructure.
- **Loma Verde Community Center:** The Loma Verde Community Center is currently undergoing reconstruction to provide major upgrades to the recreation and aquatics facilities. ARPA funding was allocated to project to support staff time costs and provide an additional funding source for the project.
- **Casa Casillas:** The project is to develop the former YMCA space that supports an opportunity for the Chula Vista Arts Community to showcase their talent, grow their skills and support gatherings, where the community feels welcome and can experience art and culture. The focus of the building will be to create intergenerational collaborative opportunities while also supporting the development of opportunities for artists in residence.
- **Heating, Ventilation and Air Conditioning (HVAC) Systems:** This project will allow the City to address a major capital need and install a system that allows for a higher level of air filtration at a key, 24/7 operating public safety facility, providing protection against viruses such as COVID-19 through the enhanced air filtration unit. The initial scope of the project was a complete replacement of the HVAC system at the Police Headquarters. During the design phase and working with a consultant it was determined that a repair and replacement of specific failing sections/parts is a more cost-effective approach to updating the HVAC system.
- **Eucalyptus Park Renovation:** ARPA funding will be used to partially fund the renovation of Eucalyptus Park. These funds present a significant opportunity for our community to meaningfully address the pandemic's disproportionate toll on people of color, people with disabilities, immigrant communities, low-income households, and other historically marginalized groups, including the homeless population.

- **Palomar Motel:** Funding has been allocated for the acquisition and renovation of the Palomar Motel, to create permanent supportive housing as a significant step forward in the City's effort to address homelessness; and provide another long-term solution to the City's homelessness transition efforts.
- **Create Chula Vista (CV) Public Arts Grants:** This project provided funds for the Library's Cultural Arts program to provide grants to local artists and arts organizations.
- **Starlight Nights:** This capital improvement and art installation project supported a community event to celebrate the holidays along the Third Avenue business corridor and to build community during the height of the pandemic.
- **Equity and Inclusion:** To further advance the City's efforts in creating a more inclusive and equitable community, culture and workplace, the City of Chula Vista has embarked on a deliberate process that coordinates and collaborates with all city departments, all levels of city staff and the community in the development of strategies and recommendations to create a Justice, Equity, Diversity and Inclusion (JEDI) Action Plan. This funding has been allocated toward third party assistance in facilitating discussions and collaborating with internal and external stakeholders in the creation of the Action Plan.
- **ADA Transition Plan Update:** The City is moving forward with a comprehensive Americans with Disabilities Act (ADA) self-evaluation and update to the City's existing Transition Plan. Through this effort, the City will undergo a self-assessment of current compliance status in all City facilities and identify items that are non-compliant with Federal and State ADA Accessibility Guidelines and take the necessary steps to update the Transition Plan including the following: a) identification of barriers and prioritization of solutions; b) establish a list of City services, including a map of the path of travel to each service along the barriers to be removed in order to achieve compliance; c) cost estimates for modifications needed in order to achieve compliance with guidelines; and d) recommendations to update existing policies and to create new policies in order to achieve compliance with the Guidance.
- **Public Engagement Platform:** The City is in the process of procuring an online software as a service (SaaS) public engagement platform. The implementation of a public engagement platform will centralize and encourage public participation in City projects, programs, and initiatives while providing rich and intuitive tools for learning and collecting input from all members of the public. The City is seeking a platform that is flexible, interactive, user friendly and capable of supporting multiple public engagement projects simultaneously.
- **University Innovation Center/Recruitment:** Previously appropriated ARPA funding for this project will be reallocated to fund other ARPA projects as the City will no longer move forward with this project using ARPA funding. The City has been awarded a State grant to move forward with this project.

Detailed descriptions of SLFRF funded projects are included in the **Project Inventory** section of this document.

Community Engagement

The City of Chula Vista consistently engages with constituents, community organizations, businesses and the broader community to inform the use and prioritization of City funds. Staff has invested thousands of hours on community outreach to have the wants and needs of the community drive the programming of funds, which are reflected in the City's policy documents. Efforts to engage with the community on projects to be supported by SLFRF include:

- Digital Equity and Inclusion Plan
- Telecommunications Master Plan
- COVID-19 Economic Recovery Plan
 - Over 900 business owners and 600 community surveys were received which detailed the needs of businesses and the community during the pandemic and into the recovery.
- Business Surveys on American Rescue Plan Spending Needs
 - Sent to 7,636 businesses and received over 300 responses. Most respondents indicated they would like funds to replenish depleted reserves; cover payroll, rent, equipment, and other debt that has accrued during the pandemic.

The funding plan for the City of Chula Vista's SLFRF funds was also discussed in a public hearing on August 24, 2021, allowing for input from the public. The resolution accepting and appropriating the SLFRF funding was subsequently unanimously adopted by City Council. Upon adoption, the budget (appropriations) for SLFRF programming was considered executed and budget amendments to the City's Fiscal Year 2022 and Fiscal Year 2023 Adopted Budget were implemented.

Throughout Fiscal Year 2023, several amendments to the SLFRF spending plan were coordinated by the City Manager's Office and effectuated with approval by City Council during public hearings. During the development of the City's Fiscal Year 2024 Adopted Budget in the spring of Fiscal Year 2023, public input was requested on City budget matters via online comment forms, community budget workshops and in public hearings to present and adopt the Fiscal Year 2024 Budget.

Promoting Equitable Outcomes

The City is committed to advancing intentional equity and inclusion efforts to unify existing projects and programs, as well as create a future action plan to ensure equitable practices in all facets of City operations. Later described in the **Project Inventory** section of this document, the City of Chula Vista has embarked on a deliberate process that coordinates and collaborates with all city departments, all levels of city staff and the community in the development of strategies and recommendations to create a Justice, Equity, Diversity and Inclusion (JEDI) Action Plan. \$0.2 million in funding is to be allocated toward third party assistance in facilitating the City's emergent equity and inclusion program.

The Equity and Inclusion project is being pursued in conjunction with the City Manager's acceptance into the Leadership Institute on Race, Equity and Inclusion led by the International City/County Management Association (ICMA), Kettering Foundation and National Civic League. The City has also participated in the Bloomberg Philanthropies City Budgeting for Equity & Recovery program, focused on equity in budgeting for capital improvement projects. The City's Economic Development Department has also had an inclusive economic development strategy since 2016, and partners with San Diego Regional Economic Development Council on a Countywide Inclusive Economic Development strategy.

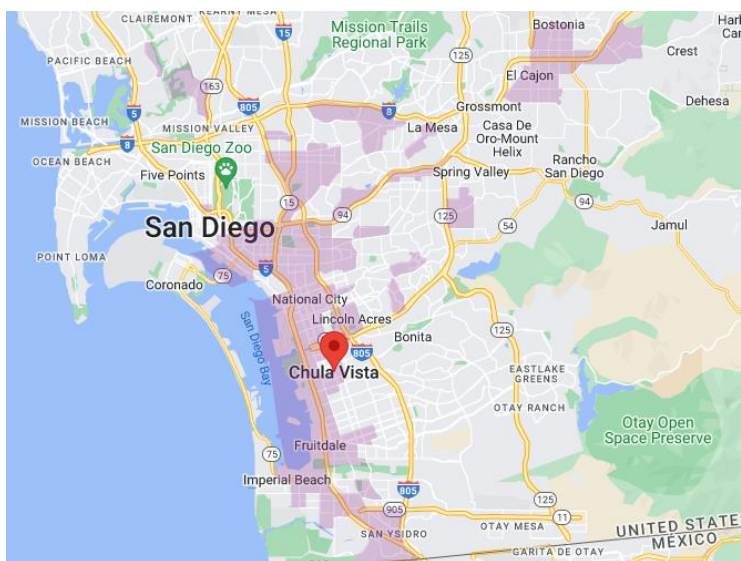
Subsequent Recovery Plan reports will also include detailed project-specific updates on the City's approach to achieving equitable outcomes utilizing both qualitative and quantitative data.

Qualified Census Tracts

A Qualified Census Tract (QCT) is a federally recognized designation identifying areas or "tracts" (statistical subdivisions used in the Census) which meet certain income level criteria. Areas where 50% or more of the households have incomes below 60% of the area median income, or where the poverty rate is 25% or higher, are deemed QCTs. The QCT designation is utilized by various agencies and jurisdictions to focus program efforts on these high-need areas, such as for HUD's Low-Income Housing programs.

During the COVID-19 pandemic and recovery, families and organizations in QCTs were disproportionately negatively impacted. For the City of Chula Vista, the QCT serves as an additional tool to readily identify areas of greatest need for SLFRF funding. Based on the Interim and Final Rules for the SLFRF, the Treasury presumes that certain types of services are eligible uses of funding when provided within a QCT or to families living in a QCT. Further, the US Treasury has encouraged the use of ARPA SLFRF funding to prioritize the needs of these communities in various communications.

The City of Chula Vista includes several QCTs within City bounds based on the 2023 Census and the Housing & Urban Development QCT designations (shown in purple below). Several of the City's projects will be supporting QCTs in Chula Vista. Staff will indicate impacts on QCTs in the **Project Inventory** section in subsequent Recovery Plan reports.



HUD 2023 Qualified Census Tracts (https://www.huduser.gov/portal/sadda/sadda_qct.html)

Labor Practices

Several projects under the City’s ARPA SLFRF spending plan include infrastructure projects and capital expenditures. The City of Chula Vista complies with the SLFRF award terms, provisions of the federal Uniform Guidance (2 CFR Part 200) and U.S. Department of Labor regulations (29 CFR Part 5) and the Davis-Bacon Act requirements.

The table below lists projects which support infrastructure and capital expenditures.

Treasury Expenditure Category	Project	Total Approved Budget
2.29	Curb/Sidewalk Café Grant	200,000
6.1	Broadband Design	900,000
6.1	Main Street Fiber	300,000
6.1	Telegraph Canyon Culvert Repair	6,150,000
6.1	Loma Verde Community Center	2,000,000
6.1	Casa Casillas	2,450,000
6.1	HVAC Repair	10,000,000
6.1	Eucalyptus Park Renovation	3,522,558
6.1	Palomar Motel	13,000,000
6.1	Starlight Nights	200,000
6.1	Public Works Project Management	1,500,000

The standard language included in City bid documents for federally funded projects is as follows:

This is a Federally Funded Project. In accordance with the provisions of Section 1773 of the Labor Code of the State of California, the City of Chula Vista has ascertained the general prevailing wage scales applicable to the work to be done. The prevailing wage rates scales are those *determined by the U.S. Department of Labor and those determined by the Director of Industrial Relations, State of California (DIR). THE CONTRACTOR IS OBLIGATED TO PAY THE HIGHER OF THE TWO (hourly rate plus fringe benefits) for each applicable craft or classification. The Contractor who is awarded the contract and who intends to use a craft or classification not shown on the general prevailing wage rates determinations may be required to pay the wage rate of that craft or classification most closely related to it as shown in the general wage rates determinations effective at the time of the call for bids.*

The Federal Prevailing Wage Determination (WD) is included in a bid package and is also available directly from <https://sam.gov/>. Scroll down to and click on “Wage Determinations”. The State prevailing wage rates determination is available directly from the DIR, Office of Policy, Research and Legislation, State of California home page under www.dir.ca.gov/oprl/.

Use of Evidence

The City's ARPA SLFRF spending plan prioritizes projects utilizing strong evidence-based interventions, primarily in the areas of Public Health (EC 1) and Negative Economic Impacts (EC 2). For example, as cited in the Final Rule, the Curb and Sidewalk Cafes project was largely based on evidence from the Centers for Disease Control and Prevention regarding in-person gatherings during the pandemic that outdoor dining reduced transmission of COVID-19¹. The Casa Nueva Vida Shelter project and the SBCS Domestic Violence project will support an established, local non-profit organization which has provided evidenced-based community violence intervention programs for several years. As noted in the Final Rule, evidence suggests the pandemic has damaged the financial health of nonprofits². The Homeless Supportive Services project will support evidence-based practices focused on street outreach and wraparound services, bolstering the City's Housing and Homeless Services Department programs for unsheltered individuals and aligning with the City's Housing and Urban Development Consolidated Plan.

A full-time grants analyst dedicated to grants monitoring and compliance, including SLFRF funding, was hired in June 2022. This role has been assisting with data collection and program evaluation efforts for SLFRF funded projects to ensure that funds are used efficiently and effectively, and the City is in compliance with all federal requirements.

Project specific evidenced-based interventions and program evaluations will be described in detail by respective projects in the **Project Inventory** section of this document. As projects progress through the covered period and data is collected, additional information will be provided in subsequent Recover Plan reports.

Ineligible Activities

The City of Chula Vista certifies no SLFRF funds have been allocated nor expended towards ineligible activities.

Compliance & Reporting

The City of Chula Vista's 2023 Recovery Plan Report is posted to the City's website at: <https://www.chulavistaca.gov/departments/american-rescue-plan-act-of-2021>.

Performance Report

As of June 30, 2023, \$10,368,032.50 in SLFRF project expenditures have been incurred. A brief performance report for each project will be provided in the **Project Inventory** section of this document based on project progress.

The City of Chula Vista's planned and cumulative expenditures (as of June 30, 2022) for the \$57.5 million allocation in SLFRF funds are categorized below by the Treasury Expenditure Categories.

¹ Centers for Disease Control and Prevention, Small and Large Gatherings, <https://www.cdc.gov/coronavirus/2019-ncov/your-health/gatherings.html> (last visited July 27, 2022).

² Elizabeth T. Boris et al., Nonprofit Trends and Impacts 2021, Urban Institute (October 7, 2021), https://www.urban.org/research/publication/nonprofit-trends-and-impacts-2021/view/full_report..

Category		Planned expenditures	Cumulative expenditures
1	Expenditure Category: Public Health	\$983,382	\$762,613
1.1	COVID-19 Vaccination	\$76,509	\$76,509
1.2	COVID-19 Testing	\$106,873	\$106,872
1.1 1	Community Violence Interventions	\$800,000	\$579,232
2	Expenditure Category: Negative Economic Impacts	\$3,448,049	\$3,006,532
2.9	Small Business Economic Assistance (General)	\$2,700,000	\$2,636,518
2.1	Assistance to Unemployed or Underemployed Workers (job training, subsidized employment, employment supports/incentives)	\$200,000	\$94,071
2.1 6	Long-Term Housing Security: Services for Unhoused persons	\$200,000	\$35,700
2.2 9	Loans or Grants to Mitigate Financial Hardship	\$148,049	\$140,243
2.3 4	Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)	\$200,000	\$100,000
4	Expenditure Category: Premium Pay	\$2,457,000	\$2,457,000
4.1	Public Sector Employees	\$2,457,000	\$2,457,000
6	Expenditure Category: Revenue Replacement	\$50,646,819	\$4,141,888
6.1	Provision of Government Services	\$50,646,819	\$4,141,888
Total		\$57,535,250	\$10,368,033

Project Inventory

The project name, expenditure category, funding amount (as of July 25, 2023) and a brief description of each project approved to be funded with SLFRF are provided below. Due to the timing of the receipt of SLFRF funds, final award terms, extensive interdepartmental coordination and project approvals via City Council resolution, additional detailed information on respective project activities, timelines, delivery mechanisms and partners will be provided in increasing detail in subsequent Recovery Plan reports as projects progress.

Public Health (EC 1)

COVID-19 Vaccinations

Project Expenditure Category: 1.1 – COVID-19 Vaccinations

Funding Amount: \$335,250 (Vaccinations Only)

Total Expenditures to Date: \$76,509.29

On March 13, 2020, the President declared the COVID-19 pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the “Stafford Act”). Chula Vista was one of the first cities in San Diego County to proclaim a local emergency due to COVID-19. In response to the disproportionate impact of the pandemic on the South Bay region and to better serve and protect the community, the City of Chula Vista established a mobile vaccination unit (Operation Immunity) to offer free COVID-19 vaccinations to the South Bay communities. Operation Immunity quickly became a highly requested resource at senior residential care facilities and among the essential worker population. Operation Immunity was available five days per week, Monday through Friday, to deliver onsite vaccination clinics. Through the FEMA Public Assistance program, the Chula Vista Fire Department was able to hire hourly EMTs to perform the vaccinations.

Operation Immunity performed vaccination clinics at senior living facilities, grocery stores, restaurants, elementary schools, middle schools, high schools, libraries, and more. Operation Immunity offered a weekly vaccination clinic in addition to homebound vaccinations by request and referral.

The City originally allocated \$335,250 toward COVID-19 vaccination programs to hire staff, purchase testing materials (including personal protective equipment), and address miscellaneous costs as they arise. Miscellaneous costs included registration system software, paper materials, courier services, etc. After nearly three years, the State of California and the County of San Diego ended the COVID-19 emergency proclamation on February 28, 2023, transferring vaccination services to local public health centers, clinics and primary care providers. The City’s testing and vaccinations program came to an end on that same date, leaving \$0.26 million in funds available for reallocation. On July 25, 2023, City Council approved the reallocation of remaining funds of completed projects to the Revenue Replacement expenditure category. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Use of Evidence

The goal of the City of Chula Vista COVID-19 vaccination program was to provide adequate access to vaccines for underserved and highly impacted communities. The City of Chula Vista and the surrounding South Bay communities had among the highest COVID-19 infection rates in San Diego County. Additionally, Chula Vista City staff, specifically Fire and Police, were at increased exposure and risk of contracting COVID-19. Vaccines have been proven to be the best defense against severe disease and death. Having these vaccines available was a significant benefit to the Chula Vista community and surrounding South Bay areas. Additionally, due to the City’s proximity to the U.S.-Mexico international border, vaccinations were also supported for those who have cross-border ties, and either live and/or work outside of the United States.

Per the SLFRF Compliance and Reporting Guidance, vaccinations are not considered an evidence-based intervention. The testing operation is designed to support and serve disproportionately impacted communities.

All funding allocated towards vaccination operations was identified prior to the final ruling of SLFRF. All funding was identified for personnel, equipment, supplies and materials. There are no additional expenditure categories. Vaccinations were provided free of charge and met the demands of the communities we serve.

Performance Report

The City did not designate key performance measures at the outset of this project. The performance measure for the vaccination operation is the number of vaccines being administered monthly. As monthly vaccinations increased during the National Emergency, the City evaluated the need to expand or contract the vaccination program. Upon ending the local proclamation of emergency for COVID-19 the City administered more than 25,000 COVID-19 vaccines to the community.

Promoting Equitable Outcomes

Vaccinations provided were free of charge to all and met the demands of the communities we serve. The need for vaccinations expanded as additional booster doses were recommended for certain populations, and the younger populations were cleared to receive the vaccine.

COVID-19 Testing

Project Expenditure Category: 1.2 – COVID-19 Testing

Funding Amount: \$700,000

Total Expenditures to Date: \$106,872.42

On March 13, 2020, the President declared the COVID-19 pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the “Stafford Act”). Chula Vista was one of the first cities in San Diego County to proclaim a local emergency due to COVID-19. In response to the disproportionate impact of the pandemic on the South Bay region and to better serve and protect the community, the City of Chula Vista opened a City-run public COVID-19 testing site (October 2020 – May 2021), free to Chula Vista and the surrounding communities. This was the City’s first testing site, and it became one of the highest utilized testing sites in San Diego County due to the dates/hours of availability (Sunday-Thursday, 12pm-8pm). The testing site served the community from October 2020 – April 2021, completing more than 55,000 tests. Through the FEMA Public Assistance program, the Chula Vista Fire Department was able to hire hourly EMTs to perform the testing and the City hired temporary administrative staff to help with the clerical duties of the testing process.

As vaccines became available to San Diego County residents, the demand for testing decreased significantly. The City testing site, as well as several other sites around San Diego County were demobilized. Many of the personnel resources were reassigned to focus on vaccine administration.

However, because of vaccine hesitancy, new virus variants, and a portion of the population who are not yet eligible for the vaccine, case rates and testing positivity percentage are on the rise.

The City shifted resources to meet the new increased demand for testing and continued to provide vaccinations. The City opened its second City-run public testing site from November 2021 – February 2023, completing more than 65,000 tests, both PCR and rapid antigen tests.

The City allocated \$700,000 toward the COVID-19 testing program to hire staff, purchase testing materials, including personal protective equipment, and cover any miscellaneous costs that may arise. Miscellaneous costs may include registration system software, paper materials, courier services, etc. After nearly three years, the State of California and the County of San Diego ended the COVID-19 emergency proclamation on February 28, 2023 transferring operations to a third party for the continuation of testing. The City's testing and vaccinations program came to an end on that same date, leaving \$0.59 million in funds available for reallocation. On July 25, 2023, City Council approved the reallocation of remaining funds of completed projects to the Revenue Replacement expenditure category. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Use of Evidence

The goal of the City of Chula Vista COVID-19 testing program was to provide adequate access to testing for underserved and highly impacted communities. The city of Chula Vista and the surrounding South Bay communities were among the highest COVID-19 infection rates in San Diego County. Additionally, Chula Vista city staff, specifically Fire and Police, were at increased exposure and risk of contracting COVID-19, and therefore immediate testing of these groups was necessary.

Based on the testing results, recipients could help reduce the spread of COVID-19 by following all isolation and quarantine guidelines. Furthermore, those individuals who tested positive for COVID-19 could seek pharmaceutical treatment to help lessen the severity of disease and prevent hospitalization and death.

Without testing being available, there was a high likelihood that infection rates and positivity percentages would grow exponentially. Therefore, testing was necessary to help determine what risk remained in San Diego County.

Per the SLFRF Compliance and Reporting Guidance, testing is not considered an evidence-based intervention. The testing operation was designed to support and serve disproportionately impacted communities.

All funding was allocated towards testing operations, which includes personnel, supplies and materials. There are no additional expenditure categories.

Performance Report

To ensure testing was equitable, accessible and convenient, the Chula Vista testing site was placed in a strategic location close to transportation and disadvantaged communities. Testing was free and helped educate the community about their COVID-19 status in order to slow and reduce spread of COVID-19.

Upon ending the local proclamation of emergency for COVID-19 the City conducted more than 120,000 COVID-19 tests for the community.

Promoting Equitable Outcomes

The Chula Vista testing sites were placed in strategic locations close to transportation and disadvantaged communities. Free COVID-19 testing for all continued to be provided by the City, until the end of the local proclamation of emergency for COVID-19.

SBCS Domestic Violence Services

Project Expenditure Category: *1.11 Community Violence Interventions*

Funding Amount: \$400,000

Total Expenditures to Date: \$225,000

Project funds are for an agreement with the South Bay Community Services (SBCS) Domestic Violence Program to continue providing therapeutic counseling and crisis intervention services to adult and children victims of family violence.

The Program provides a Domestic Violence Response Team (“DVRT”) for emergency responses via a 24-hour assistance hotline with access to: emergency shelters; strengths-based assessments and safety planning for victims and their children; individual counseling and group/family counseling; unique therapeutic pre-school (Mi Escuelita); and on-going case management and support for victims.

The DVRT serves as the entry point for many victims to get the assistance they need to re-build safe, stable, and healthy lives for themselves and their children. All clients also have access to SBCS’ other programs including emergency and transitional housing, financial self-sufficiency services, and/or job development. The ARPA funds will assist SBCS to maintain and respond to a greater volume of calls, which has increased significantly since the start of the pandemic.

Use of Evidence

The goal of the Domestic Violence Services Program is to support up to 400 households with therapeutic counseling and crisis intervention services. SBCS has seen a steady increase in calls for service since the onset of the COVID-19 pandemic. The \$400,000 allocated (100%) will be used to support the goals identified above.

Performance Report

Historically, data has demonstrated that lower-income households are more likely to be victims of domestic violence. Racial and ethnic minorities who are also of lower social/economic status are at an increased risk of victimization. Through a long-standing partnership, SBCS and the Chula Vista Police Department have actively been a trusted source and safe haven for victims of domestic violence.

During the reporting period SBCS continued to partner and collaborated with the Chula Vista Police Department Family Protective Unit and served over 400 households with support and comprehensive services to the families experiencing domestic violence (DV).

Casa Nueva Vida Domestic Violence Shelter Operations

Project Expenditure Category: 1.11 *Community Violence Interventions*

Funding Amount: \$400,000

Total Expenditures to Date: \$354,232

Project funds are for an agreement with the South Bay Community Services Casa Nueva Vida offers the only short-term shelter/housing program for homeless families (with children) in the South Bay region, including victims of domestic violence. Staff utilize a comprehensive strengths-based assessment and an individualized treatment plan, to include any number of services including case management, counseling, employment assistance, childcare, etc. so each client can work to re-establish a self-sufficient lifestyle free from homelessness. Without supportive housing programs like Casa Nueva Vida, more individuals would be forced to be homeless.

Casa Nueva Vida emergency shelter program includes the following services and activities:

- Emergency housing for homeless families;
- Strengths-based assessments and treatment plan development;
- On-going case management and support for homeless families;
- Access to emergency food, clothing, and transportation support;
- Individual and group counseling;
- Substance abuse prevention and intervention services;
- Employment assistance and financial literacy classes and services;
- Connection to advocacy and community resources;
- Childcare while participating in services; and
- Specialized preschool and school readiness services for children 0-5 in SBCS' Mi Escuelita Preschool.

Use of Evidence

SBCS has seen a steady increase in calls for service since the onset of the COVID-19 pandemic. The \$400,000 allocated (100%) will be used to support the operations of a transitional shelter for victims of domestic violence, including the goals identified above.

Performance Report

During the reporting period, services were provided to 249 low income battered individuals. In total, the goal of serving 400 battered individuals was exceeded by serving a total of 1023 individuals. During the reporting period SBCS continued to partner with the Chula Vista Police Department in order to provide support in offering comprehensive services to the families experiencing domestic violence (DV).

Negative Economic Impacts / Economic Development (EC 2)

Small Business Grants Program

Project Expenditure Category: 2.9 – *Small Business Economic Assistance (General)*

Funding Amount: \$2.6 million

Total Expenditures to Date: \$2.6 million

In summer 2020, as part of inclusive economic development research and pandemic recovery efforts, surveys were sent to residents and business owners to better understand the impacts of the pandemic. Over 576 business owner surveys were received, and 794 community surveys were received which detailed the immediate needs of businesses and the community during the pandemic. The make-up of respondents and their expressed needs was used to inform the program framework and requirements for the Chula Vista CARES Small Business Grant Program which funded 279 small businesses. In summer 2021, a survey was sent to 7,636 businesses with email addresses on file and 300 survey responses were received. Most respondents indicated they would like funds to replenish depleted reserves, cover payroll, rent, equipment, and other debt that has accrued during the pandemic. The survey was also sent to the Third Avenue Village Association for distribution.

Performance Report

On July 19, 2022, City Council approved an agreement with The San Diego Foundation to administer the grant program for the City of Chula Vista. The San Diego Foundation has provided over \$1.3 billion in grantmaking to nonprofits throughout San Diego County since 1975. In 2021, the nonprofit agency awarded over \$100 million to support families and nonprofits during the pandemic. As of March 2022, on behalf of the City of San Diego, The San Diego Foundation administered \$11.2 million in grant relief funds to small businesses and nonprofits. The San Diego Foundation, working with the Small Business Development Center (“SBDC”), served as the program administrator of the Grant Program. The San Diego Foundation’s responsibilities as program administrator included:

- Administration of the Grant Program to provide direct grants to disadvantaged and at-risk businesses, and nonprofits serving the City of Chula Vista or its residents.
- Ensuring a process to obtain accurate and complete applications for grants, document applicant's compliance with eligibility requirements, and approve applications meeting the eligibility requirements.
- Issuing or directing payments to awardees for approved applications and maintaining records of all payments.

In addition to providing these services, in alignment with their mission of providing funds to nonprofits, The San Diego Foundation added \$1 million of their own funds to award to Chula Vista nonprofits, bolstering Chula Vista’s economic recovery.

The City executed an agreement with the San Diego Foundation to administer the grant program on the City’s behalf. Upon execution of the grant program, the City transferred funds to the San Diego Foundation.

A total of 200 small businesses were funded through the grant program with each receiving a \$10,000, bringing the total funding to small businesses to \$2,000,000. The San Diego Foundation also reports that a total of \$600,000 was disbursed to a non-profit, the San Diego Regional Policy and Innovation Center. A total of \$2,600,000 in American Rescue Plan Act Funds was disbursed to small businesses and a non-profit. In addition, \$1,000,000 in non-American Rescue Plan Act funds was disbursed to other non-profits and program partners, funded by the San Diego Foundation.

“Choose Chula” Mobile Application

Project Expenditure Category: 2.9 – *Small Business Economic Assistance (General)*

Funding Amount: \$100,000

Total Expenditures to Date: \$100,000

Project Status: Completed

Project Description:

Small businesses were disproportionately impacted by the pandemic and providing support to aid in their equitable economic recovery is critical. Staff sought creative ways to bolster a circular economic recovery, increase consumer confidence and provide businesses with marketing support, a key area of help identified in a city-wide business survey. The *Choose Chula* app is a free platform, funded by the City of Chula Vista, designed to reward residents and visitors with points for shopping at local businesses right here in Chula Vista. Each local reward point equals \$1, which can be easily redeemed at local businesses that choose to participate. This way we keep our local economy robust and the dollars in the community.

The *Choose Chula* small business support mobile application (app) pilot program launched June 15, 2021 with the state-wide reopening. In the first month of the soft launch, over 100 applications were received resulting in 89 businesses being admitted into the app program, and there were over 1,500 app downloads. ARPA funds will be directed towards continued technology optimization, administration and marketing costs for the program as well as funding the rewards budget that rewards app users with digital “Chula Points.”

Structure & Objectives

On May 5, 2020, the City Council unanimously accepted Economic Development's 90-Day COVID-19 Economic Recovery Plan to provide support to our local Chula Vista businesses. One of the five tenets of the plan was marketing and promotion as a majority of the 600+ businesses surveyed had requested assistance for those needs. This support proposed by staff included 1) launching a small business support marketing campaign, now known as the award-winning We built THIS campaign, and 2) local business support and promotion with the Colu app, branded as Choose Chula.

Staff moved forward with entering into a two-party agreement with Colu Technologies, the app developer, on April 12, 2021. The agreement was for a six-month term for a pilot project with two optional three-month extensions. On May 21, 2021, California officials announced the full details of the statewide reopening plan for June 15, 2021. This date was targeted for launch of the app as a smart city tool to boost consumer confidence with businesses reopening and to provide marketing assistance to businesses. Over the course of 64 days, staff worked to prepare for the launch including app branding, creation of marketing videos and collateral in English and Spanish, launching a business application, onboarding businesses, onboarding and training four interns as app ambassadors to be the points of contact for businesses, developing social media content and messaging, printing and distributing the marketing collateral to businesses and marketing the program to businesses and app users. The pilot program, as approved by the City Council, ran from June 15, 2021 – December 31, 2021. All eligible businesses were contacted and informed of the opportunity to participate in the program. Over 400 eligible businesses were visited in person and invited to participate. Ultimately, 109 businesses from across the city, with the majority located in western Chula Vista and especially on Third Avenue, participated in the program.

Based upon the makeup of eligible participating businesses, staff established the following reward categories. A common misconception, the percent is a percentage back that was earned in Chula Points, not a percentage off of goods or services. In each category, 1 point is equivalent to \$1 and there were caps in place to prevent individual users from taking a majority of the available points to ensure equitable community access. As anticipated, the food and drink rewards category was the most popular which was why the rewards amount was set at the lowest 10% figure.

1. Health & Beauty: category to earn 15% back in Chula Points
 - Reward users joined: 130
 - Points granted: 407.82
 - Minimum economic activity generated: \$6,117

2. Food & Drinks: category to earn 10% back in Chula Points
 - Reward users joined: 223
 - Points granted: 1,887.79
 - Minimum economic activity generated: \$18,877

3. Shop Chula (retail): category to earn 25% back in Chula Points
 - Reward users joined: 152
 - Points granted: 109.02
 - Minimum economic activity generated: \$2,725

Total minimum* economic activity generated through the app: \$27,719

* In actuality this number is much higher due to the caps that were in place for earning points in each transaction. The actual number is unknown as individual transaction data are not able to be pulled. Additionally, this number does not contemplate additional circular economic activity created at adjacent businesses who did not participate in the app.

PILOT PERFORMANCE

Key Performance Indicator	Metric	Goal	Actual
Registered Users	Number of people who have downloaded the app and set up a user profile	500	2,146
Participating businesses	Number of small businesses enrolled in the app	100	109
Redeeming businesses	Number of businesses with registered financial information who can accept Chula Points as currency and later receive reimbursement from the City	25	33
Conversion Rate	Number of businesses with registered financial information who can accept Chula Points as currency and later receive reimbursement from the City	20%	13% (282 users)
Amount reimbursed monthly to redeeming businesses	The monthly payments City reimburses to businesses	N/A	Use of Chula Points has increased 2,021% over 7 months.*

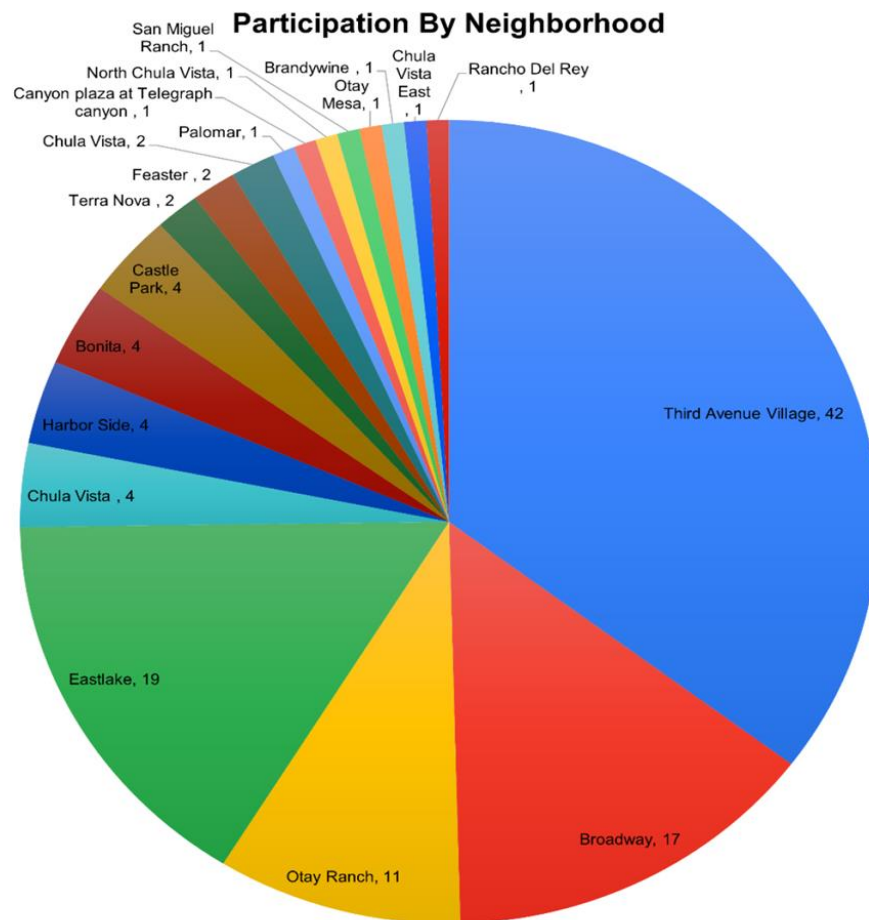
* An exponential number of users became more aware of how to redeem Chula Points at redeeming businesses. In July, the monthly total payment to businesses totaled \$28 and after businesses increased awareness to customers, December yielded the highest month of payments totaling \$594. Increased awareness and promotion created higher redemptions each month.

Profile of Participating Businesses

All eligible businesses were contacted and informed of the opportunity to participate in the program. Over 400 eligible businesses were visited in person and invited to participate. Ultimately, 109 businesses from across the city, with the majority located in western Chula Vista and especially on Third Avenue, participated in the program. Participation by neighborhood and by zip code are shown on the following pages.

The breakdown of participating businesses by type is as follows:

- Restaurants, Bakeries and Cafes: 29%
- Health and Beauty: 27.5%
- Professional Services: 12.8%
- Clothing and Accessories: 7.34%
- Fitness and Sport: 5.5%
- Gifts and Flowers: 5.5%
- Bars and Pubs: 5.5%



KEY LEARNINGS

Branding, marketing, onboarding, training businesses, ambassadors and users was a brand-new endeavor for staff which provided many learning opportunities. Key learnings are summarized below.

- *Financial and Human Capital:* Significant financial and human capital was needed to launch and run the program. The program was presented to staff by the developer as a comprehensive one-stop-shop with all services included when in reality, one Economic Development staff member was responsible for 95% of program administration. This included creating the application, approving applications on a daily and weekly basis, creating the branding, creating and funding the marketing, ordering and printing custom collateral for each business and distributing it to them, business recruitment, business training and onboarding, monthly invoice processing and approvals and more. Had staff been fully aware and transparently informed of the level of work that would need to be provided by the city, the project would likely have not been pursued.
- *Linking Card:* In order to create a user profile in the app and earn points, the user must register their banking information (username and password) and can subsequently link up to seven (7) cards. To do so, the developer uses Plaid, which is touted as the same technology used by Venmo. However, it is very unnerving to enter one's bank account information in addition to card information. This is reflected in the low 13% conversion rate of those who linked their cards. Further, this perpetuates distrust and skepticism in government where the city is asking community members to share their banking information. This was communicated to the developer as a huge potential issue from the beginning and unfortunately, no adjustments were able to be made. Despite the huge number of impressions earned through staff's marketing work, there was not a proportional amount of participation in the app which staff attributes to a denial to link their card.
- *Language Access:* Staff requested a bilingual user interface and was told it would be looked into after the pilot program should we decide to continue the program. As the app has Israeli roots, the only languages offered at this time are English and Hebrew. To address this, staff translated all social media content into Spanish, created Spanish marketing materials including an instructional video and created a Spanish language campaign with local Spanish radio. The developer suggested all material in the app could be available in Spanish, but that effort would be at the City's cost— an effort which staff did not think was appropriate.
- *Business Buy-in:* A critical factor of the app's success is business buy-in and engagement. Businesses who promoted the program to their customers performed the best. Those who did not have time to train their staff, did not have bandwidth to participate or had confusion about the program did not do well.
- *Critical Mass and Network Effect:* As demonstrated in denser business districts such as Boston, establishing a critical mass of participating businesses is an effective way to increase program awareness and participation from businesses and app users. Locally, we began to see the value and importance of critical mass and the network effect in the concentration of walkable businesses on Third Avenue. As more businesses participate, their adjacent businesses notice and also want to participate.

- *Benchmarking:* Staff requested data from the developer for benchmarking purposes from other participating cities; however, this data was not able to be provided. One notable benchmarking metric staff did have access to was the fact that Chula Vista was the first “opt-in city”. This means that businesses in Boston and Akron were automatically enrolled in the program as an “opt-out” approach which inflated participation numbers as touted by the developer. In addition to inflating participation, an opt-out approach disincentivizes businesses as they did not seek out the application of their own interest. If the business does not have an interest or will to participate in the program, they will not be successful so staff was adamant to stick to an opt-in approach in Chula Vista.

Promoting Equitable Outcomes

Staff wanted to promote an equitable economic recovery for Minority Business Enterprises, Women Business Enterprises, Veteran Business Enterprises, Disabled Business Enterprises by promoting them in the app. Staff was able to have Hispanic Owned Businesses celebrated during Hispanic Heritage Month by offering an additional percentage back in Chula Points when shopping at Hispanic Owned Businesses. This data was obtained from a field on the businesses’ application. However, should the community want to intentionally seek out a certain type of business to support, they are not able to sort by business type in the app (e.g., Women-owned, Black-owned, etc.). This is a new and recommended app functionality that is necessary.

Alpha Project “Take Back the Streets”

Project Expenditure Category: 2.10 - Assistance to Unemployed or Underemployed Workers

Funding Amount: \$200,000

Total Expenditures to Date: \$94,071.07

Despite recent improvements in the economy and the lifting of California’s pandemic restrictions, many individuals in our community continue to struggle. The City’s Homeless Outreach Team conducted a “point- in-time” count in August 2021 which revealed that the number of homeless has doubled from the last official count in 2019. With this increase, so did the amount of trash and debris. In March 2020, the City received a direct allocation of Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) funds through the Community Development Block Grant (“CDBG”) program. Along with the allocation, the Department of Housing and Urban Development issued programmatic waivers that eliminated the standard fifteen percent (15%) cap on Public Services CDBG expenditures. The City seized this opportunity to fund a City initiative, Operation Pride.

This multidisciplinary approach spans various City departments and agencies to assist in the City’s clean-up efforts. As partners, the City selected McAlister Institute (Work for Hope Program) and Alpha Project (Take Back the Streets) - allocating \$135,000 of CDBG to support two employment programs that not only provided for job opportunities to formerly homeless individuals but assisted City staff in maintaining clean and safe public spaces, including parks and streets from September 2020 to June 2021.

Since its initial funding, the program demonstrated that it serves as a catalyst for homeless people who are able to work, providing them with immediate transitional employment and training while providing the community with vital cost saving services through the removal of over one million pounds in trash and debris throughout Chula Vista. Unfortunately, the expenditure waivers did

not apply to subsequent CDBG funding for Fiscal Year 2022. In Fiscal Year 2022, the City was therefore limited to \$80,000 to support both programs, including \$45,000 for Alpha Project's "Take Back The Streets Program" in Fiscal Year 2022. The significant rise in trash resulted in staff's determination that an increase of services from Alpha Project to continue and maintain clean-up efforts would be a substantial benefit to the program and the City. For this reason, staff allocated \$200,000 to ensure the "Take Back the Street Program" continuation.

Use of Evidence

It is a demonstrated fact that there are many barriers to homeless individuals obtaining and retaining employment. Without employment, it is difficult to secure stable housing. This program is investing 100% of the funds in providing job training and placement opportunities to homeless individuals.

Performance Report

The goal of the program to employ a minimum of 20 extremely low-income individuals experiencing homelessness (target population) was met and exceeded during the reporting period. The program works in tandem with the City's Homeless Outreach Team through regular coordinated street outreach and shelter services.

Homeless Supportive Services

Project Expenditure Category: 2.16 - Long-Term Housing Security: Services for Unhoused persons

Funding Amount: \$200,000

Total Expenditures to Date: \$35,699.62

This project supports the ongoing efforts by the City's Homeless Outreach Team to provide a continuum of services for homeless, at risk and low-income households. The program is designed to work in tandem with the City's housing programs by offering unique and individual assistance to homeless individuals requiring stable housing and self-sufficiency.

Use of Evidence

The Homeless Supportive Services Program combines outreach, assessment and housing placement through emergency shelter, hotel/motel vouchers during inclement weather, transitional housing, and rapid rehousing/tenant-based rental assistance. The City has seen an enormous increase in need for services due to COVID-19, and funding has allowed the City to expend services leading to greater rate of placement, and less time spent on the streets. The Program serves homeless individuals and families in predominately Western Chula Vista, including children, adults and senior citizens, many of whom are domestic violence victims, veterans and abused children living on the streets. In addition to housing screening, assessment and placement, homeless individuals and families receive emergency food and clothing, as well as access to wraparound services including emergency shelter, transitional housing and affordable housing; as well as crisis intervention, employment assistance, children's services and assistance applying for benefits. It provides individuals and families with the education and resources that they need to develop self-sufficient lifestyles, in order to sustain safe and stable housing.

Performance Report

A total of 90 homeless individuals have been served through the program. These clients were provided with diversion assistance, referrals and/or coordinated assessment which provided for linkage to appropriate and available housing resources. To date, 17 households were successfully moved to housing. Out of the 17 households, 6 households exited to permanent housing with 4 receiving the Chula Vista Tennant Based Rental Assistance (CV TBRA) voucher, 1 a Section 8 voucher and 1 finding housing unit that is not subsidized. 1 of the 17 closed cases moved in with a family member and 10 were closed due to no follow up after multiple outreach attempts to contact in the last 90 days.

Promoting Equitable Outcomes

Homelessness is an issue that affects all races/ethnicities. Hence, the program targets all homeless individuals regardless of race/ethnicity.

Grants for Curb and Sidewalk Cafes

Project Expenditure Category: 2.29 – *Loans or Grants to Mitigate Financial Hardship*

Funding Amount: \$200,000

Total Expenditures to Date: \$140,242.84

On July 13, 2021 City Council approved a process to create attractive and accessible curb cafes and sidewalk cafes along the Third Avenue business corridor, and to offset the cost to permit and construct these facilities. This action also originally appropriated \$0.3 million (subsequently reduced to \$0.2 million) of ARPA SLFRF funds for Fiscal Year 2022 to be dedicated to a reimbursement grant program for these facilities. These business enhancement efforts were guided by the City's pursuit to facilitate a safe re-opening and recovery of Chula Vista's local economy and boost consumer confidence. As businesses quickly responded to public health restrictions at the onset of COVID-19 and negative economic impacts, one outcome was the growth of both permitted and unpermitted outdoor dining spaces or "parklets." Now, as business are no longer operating under public health restrictions, cities are tasked with reviewing, enforcing and updating local business operating standards. CDC guidance for bars and restaurants has highlighted the use of outdoor dining in reducing the risk of COVID-19 exposure compared to indoor dining.

On June 15, 2021, California Governor Gavin Newsom announced a fully reopened California and a lift of pandemic executive orders. While restaurants, bars, and breweries may operate at full indoor capacity, they are still recovering financially from eighteen months of reduced occupancy and revenues. The continued opportunity to operate outdoors with increased occupancy will help these businesses better recover over the next year or so. In addition, during this time the community has enjoyed the opportunity to be outside when enjoying a meal or a beverage. As a result, staff is proposing to terminate the existing encroachments in the right-of-way, but replace it with a program that will provide appropriately designed and constructed improvements within the right-of-way that are permitted and ADA accessible. Proposed improvements will not be allowed to encroach or impact surrounding businesses but must only be located in front of the existing business. This will ensure and encourage more thoughtful placemaking with a goal of generating increased economic activity along Third Avenue.

As of July 31, 2023, the City has issued permits for eight curb cafés to the following businesses:

- Mariscos Los Cuates – 217 Third Avenue
- Attitude Brewing – 221 Third Avenue
- Tavern at the Vogue 230 Third Avenue
- Groundswell Brewing Company – 258 Third Avenue
- Thr3e Punk Ales – 259 Third Avenue
- The Balboa South – 290 Third Avenue
- Silver Dollar – 341 Third Avenue
- Third Avenue Alehouse – 319 Third Avenue

As of July 31, 2023, the City has issued permits for four sidewalk cafés to the following businesses:

- Thr3e Punk Ales – 259 Third Avenue
- Italianissimo – 323 Third Avenue
- Silver Dollar – 341 Third Avenue
- Mariscos Los Cuates – 217 Third Avenue.

Use of Evidence

The goal of the project was to facilitate outdoor dining in open areas within the right-of-way to stop or slow the spread of COVID-19. The evidence cited is the common knowledge that COVID-19 is more easily spread in enclosed spaces. All \$148,049.03 was spent on the intervention to allow outdoor dining in open areas.

Performance Report

The key performance indicators were the number of curb and sidewalk cafés created through the project. The outcomes met the goals in that eight curb cafés and three sidewalk cafés were constructed through the project.

Jacobs & Cushman Food Bank

Project Expenditure Category: 2.34 – *Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)*

Funding Amount: \$200,000

Total Expenditures to Date: \$100,000

Despite recent improvements in the economy and the lifting of California's pandemic restrictions, tens of thousands of families throughout our community continue to struggle with food insecurity. For many families it will take a long time to fully recover from the financial impacts of the pandemic. Through the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) the City allocated funding to support local food programs. Those funds have since been exhausted. It is imperative that the City continue to support these efforts by allocating available ARPA funds.

The Jacobs & Cushman San Diego Food Bank has been on the front lines of the Coronavirus crisis since the pandemic hit our community in March 2020. Along with volunteers and a network

of nonprofit partners, they have been providing emergency food assistance to individuals and families impacted by the pandemic. With a new allocation of funding and working closely with over 35 Chula Vista nonprofit partners, the San Diego Food Bank will ensure that the City of Chula Vista continues to provide assistance to our neighbors in need.

Performance Report & Use of Evidence

The goal of the program was for the Jacobs and Cushman San Diego Food Bank to maximize and leverage existing partnerships with 35 local service providers to assist in the regular distribution of food to food-insecure households in the community. A total of \$200,000 of funding was utilized in the purchase of food and supplies to support the feeding programs.

Promoting Equitable Outcomes

In an effort to advance strong, equitable growth, including economic and racial equity the City focused the food distribution sites in the western part of the City which contain the highest percentage of minority groups and low/moderate income census tracts – reaching an increased and larger service area. By partnering with well-established social services providers and trusted partners in the community, residents were made aware of increased food services. These combined efforts ensured meeting the objectives of the program by distributing food to 35 local food banks located in various low/moderate income census tracts in the City, serving over 1,200 households.

Premium Pay to Essential Workers (EC 4)

Project Expenditure Category: 4.1 – *Public Sector Employees*

Funding Amount: \$2,457,000

Total Expenditures to Date: \$2,457,000

California Government Code, Title I, Section 3100 declares all government employees “Disaster Service Workers” who can be called upon in any emergency. Since March 2020, City employees were called on to respond to the pandemic in both their normal work duties and a variety of activities that are outside of their normal duties (e.g., food distribution, COVID testing and vaccination scheduling and site management). The City’s Essential Worker Stipend is to recognize workers performing essential duties during this public health emergency.

For this project, stipends were awarded to City staff based on the Memorandum of Understanding between the City of Chula Vista and the Chula Vista Police Officer’s Association (POA). Due to the end of the National Emergency, Treasury has updated its guidance and effective April 10, 2023, ARPA funds may no longer be used for premium pay to eligible workers. This program has therefore been completed and reporting final expenditures of \$2,457,000. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

Stipend Terms Per Full Time Equivalent Position (FTE):

- \$4,000 in Fiscal Year 2022
- \$2,000 in Fiscal Year 2023

FTEs received stipends during Fiscal Year 2022: 229

FTEs received stipends during Fiscal Year 2023: 394

Total stipend amount awarded in Fiscal Year 2022: \$916,000

Total stipend amount awarded in Fiscal Year 2023: \$1,541,000

Revenue Replacement (EC 6)

An eligible use of the ARPA funding is for the replacement of revenue loss of local governments due to the COVID-19 public health emergency. This will ensure continuity of vital government services by filling budget shortfalls as a result of the pandemic. These funds are not allowed to fund the following:

- Directly or indirectly offset reduction in net tax revenues;
- Contribute to rainy day fund, financial reserves of similar funds;
- Into a pension fund;
- Payment of interest or principal on outstanding debt instruments incurred prior to March 3, 2021.

The City of Chula Vista calculated an estimated revenue loss due to the COVID-19 public health emergency in the amount of \$ \$57,659,412 based on the guidelines in the Final Rule.

Projects under the Revenue Replacement expenditure category are described below.

Development Services Fund

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$1.0 million

Total Expenditures to Date: \$32,419.34

This funding will be used to offset personnel and contract costs incurred by the Development Services Fund in providing public services. Such services include providing permitting and code information to the general public, as well as processing and issuing various permits and conducting related inspections. Funds will also be used to digitize all project files (permits and plans), increasing ease of access to public records, and to support continued automation efforts, and increasing permitting efficiency. The vendor agreements to facilitate digitization services were approved by the City Council on Tuesday July 11, 2023. Additionally, the Development Services Department will use funding to update the General Plan Safety Element. The project is already underway, and funds have been encumbered (\$95,146.00).

Current budget estimates for digitizing project files total \$200,000 with an additional \$50,000 in personnel costs to hire an hourly Office Specialist to support the digitization efforts. The digitization project will begin Summer 2023 and be fully underway by Fall. An additional \$95,146 is encumbered to complete the efforts of updating the General Plan Safety Element.

Use of Evidence

The goal of the Project File Digitization project is to procure services to digitize all closed project files and records currently on-site in the Development Services Department. This workload is too large for Development Services staff to complete. Hiring a vendor will allow for these efforts to be focused and completed in a timely fashion. Once the large retention of project files is digitized the department will move forward with continued in-house digitization of project files as individual projects are closed.

The goal of updating the General Plan Safety Element is to be compliant with state law.

Performance Report

The digitization project has not started, and the General Plan Safety Element update is underway, without any reported milestones. This section will be completed in subsequent reports.

Promoting Equitable Outcomes

The goal of these projects is to benefit all residents of Chula Vista. Project File Digitization benefits all residents by allowing records to be more easily accessible to City staff when reporting or corresponding to residents. Digital records reduce the time to search for hard copy records. Additionally, the General Plan Safety Element serves to benefit the entire City overall.

COVID Premium Pay

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$2,354,000

Total Expenditures to Date: \$2,354,000

California Government Code declares all government employees Disaster Service Workers who can be called upon in any emergency. Since March 2020 City employees were called on to respond to the pandemic in both their normal work duties and a variety of activities that are outside of their normal duties (food distribution, COVID testing and vaccination scheduling and site management). The City's Essential Worker Premium is to recognize workers performing essential duties during this public health emergency. The goal of the City's Vaccination Wellness Incentive is to promote health and safety in the workplace and incentivize staff to obtain the COVID-19 vaccine.

Due to the end of the National Emergency, Treasury has updated its guidance and effective April 10, 2023, ARPA funds may no longer be used for premium pay to eligible workers. This program has therefore been completed and reporting final expenditures of \$2,354,000. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

Essential Worker Premium stipend: Amount varies based on the employee bargaining group's respective Memorandum of Understanding with the City of Chula Vista, ranging from \$1,000 to \$3,000.

Vaccination Wellness Incentive stipend: \$3,000 or 40 hours of COVID-19 leave for employees in designated bargaining groups who meet certain criteria.

- FTEs receiving stipends during Fiscal Year 2022: 679
- FTEs receiving stipends during Fiscal Year 2023: 568

- Total stipend amounts: Range from \$1,000 to \$5,000

- Total stipends awarded in Fiscal Year 2022: \$1,661,250
- Total stipends awarded in Fiscal Year 2023: \$692,750

New City Positions

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$998,814

Total Expenditures to Date: \$251,209.88

Two new positions were added to the City's General Fund staffing to support operations and the delivery of projects.

Information and Technology Department

The position in the Information and Technology Department of 1.0 Cyber Security Analyst was filled in September 2022. This position is critical to manage and protect the citywide network as we begin to implement the Telecommunications Master Plan, to significantly strengthen the City's information security posture and ensure alignment with the National Institute of Standards and Technology (NIST) to help thwart cyber security threats such as Ransom Ware attacks on the City's critical infrastructure. The annual estimated cost for this position is \$156,820 and will be funded by unrestricted reimbursement from ARPA to the General Fund.

Performance Report

Start date: September 23, 2022
Expenditures to date: \$96,320.60

Finance

The position proposed in the Finance Department is 1.0 Senior Management Analyst was filled in June 2022. The position will be coordinating ARPA reporting and compliance requirements on behalf of the City, ensuring APRA spending complies to all applicable program rules, providing technical support to other City departments, coordinating reporting to the Department of Treasury

and assisting with related program audits. This role will serve as a central grant coordinator/analyst, a position that did not previously exist. The annual estimated cost for this position is \$141,994 and will be funded by unrestricted reimbursement from ARPA to the General Fund.

Performance Report

Start date: June 17, 2022
Expenditures to date: \$154,889.28

Public Works Project Management

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$1,500,000

Total Expenditures to Date: \$597,275.21

The positions in the Public Works department are needed given the time constraints associated with ARPA monies and the need to deliver projects at a faster pace and to address high priority projects. A Project Management team has been established to centralize project management and create a more efficient project delivery method. The Project Management team will be comprised of 1.0 Building Services Manager, 2.0 Building Project Managers, and 1.0 Management Analyst funded by reimbursement from ARPA to the General Fund. These positions will be included in the City's long-term financial plan as a general fund cost starting after project delivery but no later than 2026 when current funding sources are set to expire project to the General Fund to offset the PW Project Management expenses on an annual basis.

Performance Report

- Project Management team has been established and 1.0 Building Project Manager, 1.0 Building Services Manager and 1.0 Management Analyst positions have been filled. 1.0 Building Project Manager position is in the process of being filled and expected to start at the end of July 2023.

Projects have been assigned to both Building Services Manager and the Building Project Manager and the team has established a system to track project status, construction updates, and budgets.

Administrative Expenses – San Diego Foundation

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$180,000

Total Expenditures to Date: \$0

The City entered in agreement with the San Diego Foundation to administer the Small Business Grant program on the City's behalf and agreed upon a fee of \$180,000 for program administration which included: a) administration of the grant program to provide direct grants to economically

disadvantaged and at-risk businesses and to nonprofits serving the City of Chula Vista or its residents; b) ensuring a process to obtain accurate and complete applications for grants, document applicant's compliance with eligibility requirements, and approve applications meeting the eligibility requirements; c) issuing or directing payments to awardees for approved applications and maintaining records of all payments.

Performance Report

No expenses have been incurred. A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

General Governmental Services

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$6,028,251

Total Expenditures to Date: \$25,089

This funding is for the provision of general government services to the extent of reduction in City revenue based on the Calendar Year 2020 Revenue Loss Calculation. Planned expenditures include support for general government services: finance, police, fire, animal care, development services, engineering, public works, parks and recreation and library services.

Performance Report

The total due to the General Fund in staff reimbursement was \$25,089 for the Fiscal year 2021 reimbursement for staff time. Costs for fiscal Year 2022 is in progress as part of the Citywide year end accounting closing process and will be reflected in subsequent Recovery Plan Reports.

Broadband Design

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$900,000

Total Expenditures to Date: \$0

As part of stakeholder engagement for the development of the City's Digital Equity & Inclusion Plan (DEIP), the City of Chula Vista hosted multiple workshops with key community stakeholders to better understand the local digital divide and to uncover opportunities for collaboration on digital equity projects. The first workshop was conducted in July 2019 and included over 50 attendees throughout the San Diego region, including community-based organizations, academic institutions, regional agencies, private businesses, and city staff. In January 2020, the city conducted the second workshop. At this workshop, the City was able to gain feedback from practitioners that advocate on behalf of the needs of a wide group of the city's population and tailor strategies for the DEIP. The list of workshop attendees included the regional public agencies, academic institutions, non-profits and private sector, including SANDAG, Port of San

Diego, San Diego Airport, City of Carlsbad, Chula Vista Elementary School District, T-Mobile, AT&T, Verizon, Cleantech San Diego, Computers 2 Kids, and the San Diego Futures Foundation. This item will begin implementing the City's Digital Equity and Inclusion Plan and Telecommunications Master Plan by getting engineering and construction documents prepared that will be able to provide high-speed WIFI to the public at all City facilities in the future. Staff will look to future grant opportunities of the proposed Federal infrastructure bill to fund construction.

On July 25, 2023, City Council approved staff's recommendation to amend the City's spending plan to create new projects and reallocate project that have not reported expenditures to Treasury, be created or reallocated to the revenue recovery expenditure category. This use ensures continuity of vital government services by filling pandemic-caused budget shortfalls, minimize administrative burden and streamline reporting requirements. This project has been reallocated from the infrastructure expenditure category to the Revenue Replacement expenditure category. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

This project has not yet started. A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

Main Street Fiber

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$300,000

Total Expenditures to Date: \$16,674.20

The funding will allow the City to connect sprawling City facilities (Otay Recreation Center, Animal Shelter and Public Works Facility) to the existing fiber infrastructure located at City Hall. This will allow the future opportunity to provide free high-speed wireless internet access (Wi-Fi) to the public at the Otay Recreation Center. Connecting these facilities will assist the City in beginning to bridge the digital divide that was highlighted during the COVID-19 pandemic.

Performance Report

This project is in the early planning stages. A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

Telegraph Canyon Channel from Hilltop Park to Third and L Street

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$6,150,000

Total Expenditures to Date: \$1,445.52

The need for Telegraph Canyon Channel improvements was identified as part of the City's Measure P asset management program. To help identify the needs of our community and to evaluate the state of our infrastructure, the City formed the Asset Management Program Advisory Committee (AMPAC) in March 2014. The committee continues to provide input into setting priorities for the Asset Management Program. Members of the AMPAC are residents, business owners, community leaders, and stakeholders. AMPAC members visited various asset management systems and observed and discussed the issues associated with each system. AMPAC reviewed the City's overall Asset Management Program methodology and helped to guide and reach consensus on how to address infrastructure deficits. A technical committee was formed within AMPAC to further engage the public in the understanding and review of the asset management methodologies and logic used to define preservation and restoration costs and schedules. A comprehensive inventory of assets took place for each asset management system. Where accessible, assets were visited, and their conditions were assessed. Based on the condition, actions required to restore the asset were identified, and the cost and timing were estimated. Through assessment of risk (probability and consequence of failures), activities were prioritized and communicated regarding urgency and the financial and resource requirements. In July and August 2015, the City of Chula Vista engaged a research firm to conduct a public opinion survey to identify resident priorities and secure input on potential local funding mechanisms (bond or sales tax) to upgrade, repair and maintain critical infrastructure. In addition, a survey mailer was distributed to 54,000 households and an online version posted on the City website from January through May 2016 to secure broad public input on infrastructure priorities. More than 3,000 responses were received. The Telegraph Canyon existing storm drain system is not adequate to convey water during a 100-year peak flow event requiring significant drainage improvements to be made to protect both private and public facilities.

The project's overall priorities are the following:

- Improve the channel infrastructure to convey the 100-year storm flows in accordance with City of Chula Vista and regulatory agencies standards;
- Enhance the water quality of the flow being conveyed in the channel;
- Preserve and enhance the open space areas, community parks and green spaces; and
- Include improvements to increase benefits in the community.

It is anticipated that the construction of select phases of the project will commence in August 2024 and a capital cost of \$14.9 Million is estimated for all phases of the project.

Performance Report

Kimley Horn & Associates have been assigned as the on-call civil engineer for this project. The project is currently at the 60% design plans milestone, with expenditures funded from the local Transportation Development Impact Fees Fund. SLFRF funding will be used for the construction phase of the project, planned for August 2024.

Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recover Plan reports.

Loma Verde Community Center

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$235,000

Total Expenditures to Date: \$168,679.03

The project demolished and reconstructed the existing recreation center to provide the following: a new multi-purpose gymnasium, dance rooms, crafts room, fitness room, classroom space, game room, hard courts, restrooms, changing rooms, staff offices, lifeguard staff room, break room, new pool mechanical equipment, wet and dry storage, replacement pool and associated pool deck area. The Measure P Citizens Oversight Committee (COC) identified and recommended funding this project with the Measure P Sales Tax Fund. ARPA funding was allocated to support staff time costs and provide an additional funding source for the project. The project end date is anticipated in Summer 2023, and a projected total ARPA staff time expenditure amount of \$235,000.

On July 25, 2023, City Council approved staff's recommendation to amend the City's spending plan to close out completed projects and reallocate any remaining funds reallocated to the revenue recovery expenditure category. This use ensures continuity of vital government services by filling pandemic-caused budget shortfalls, minimize administrative burden and streamline reporting requirements. This project will be closed out and the funding will be reallocated within the Revenue Replacement expenditure category. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

Casa Casillas

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$2.45 million

Total Expenditures to Date: \$1,759.08

The project is to develop the former YMCA space that supports an opportunity for the Chula Vista Arts Community to showcase their talent, grow their skills and support gatherings, where the community feels welcome and can experience art and culture. The focus of the building will be to create intergenerational collaborative opportunities while also supporting the development of opportunities for artists in residence.

Performance Report

Project updates and construction milestones:

- Project open to bid on PlanetBids on March 24, 2023
- Lowest bidder Fordyce Construction was notified on May 3, 2023
- Contracts expected to be executed by end of July 2023
- Construction expected to start August 2023

- Projected completion of construction is June 2024

Promotion of Equitable Outcomes

There is a growing realization of how important lively and appealing gathering places are to every aspect of our lives. Creating public spaces where all segments of a community can meet, interact, celebrate, and enjoy, can activate areas that otherwise would sit empty or avoided. The revitalization of 50 North Fourth Avenue—formerly the South Bay YMCA was renamed “Casa Casillas”—provides the community a space dedicated to arts, for exhibition, incubation, and development of artistic capabilities.

Exposure to the arts has positive implications for the health and well-being for the Chula Vista community. Supporting programs and activities that provide community members with creative expression and social engagement have proven to be beneficial to both the individual and the community at large. A community that provides for cultural art opportunities for all ages of all abilities provides a better quality of life for everyone. Through Casa Casillas, the Chula Vista Public Library plans on providing arts classes, art exhibitions, and providing opportunities for artists in residence.

Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

Heating Ventilation and Air Conditioning

Project Expenditure Category: *1.7 – Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency*

Funding Amount: \$10.0 million

Total Expenditures to Date: \$0

ARPA funding to replace major components of the HVAC system at Police Headquarters was originally appropriated on August 24, 2021, in the amount of \$18.5 million. The original appropriation amended the fiscal year 2021-22 budget for CIP Project GGV0261 in the ARPA Fund. ARPA funding will allow the City to address a major capital need and install a system that allows for a higher level of air filtration at a key 24/7 public safety facility providing protection against viruses through the enhanced air filtration unit.

The initial scope of the project was a complete replacement of the HVAC system at the Police Headquarters. As we have moved into the design phase and began to work with the consultant it was determined that a repair and replacement of specific failing sections/parts is a more cost-effective approach to updating the HVAC system. Staff is currently working with a contractor on the scope of the project and a revised cost estimate, but it is expected to be significantly lower than the original estimate, leaving monies available for reprogramming.

On July 25, 2023, City Council approved staff’s recommendation to amend the City’s spending plan to create new projects and reallocate project that have not reported expenditures to Treasury, be created or reallocated to the revenue recovery expenditure category. This use ensures continuity of vital government services by filling pandemic-caused budget shortfalls, minimize administrative burden and streamline reporting requirements. This project has been reallocated

from the Public Health expenditure category to the Revenue Replacement expenditure category. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

Project updates and construction milestones:

- Staff is reviewing quotes and working on Sourcewell co-op agreement with ACCO
- Quotes are to be received and staff will submit a LARQ/work with legal; expected to be completed prior to the end of July 2023

Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recover Plan reports.

Eucalyptus Park Renovation

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$3,522,558

Total Expenditures to Date: \$0

On June 6, 2023, City Council approved the reallocation of \$3,522,558 from the Revenue Recovery – General Governmental Services to the Eucalyptus Park Renovation CIP project (PRK0340). Eucalyptus Park was the first park built within the City of Chula Vista, opening to the public in 1927. It is a 19.69-acre community park which serves the northwestern area of Chula Vista and is heavily utilized by the community. Renovating Eucalyptus Park will provide the community with expanded recreation offerings and enhanced amenities. Planned renovations to Eucalyptus Park are estimated to cost approximately \$8.7 million. Of this amount, \$5.2 million will be funded by a Statewide Park Program grant, leaving a funding shortfall of \$3.5 million.

As Treasury issued further guidance in the final rule clarifying that “investments in parks, public plazas, and other public outdoor recreation spaces may be responsive to the needs of disproportionately impacted communities by promoting healthier living environments” the shortfall of \$3.5 million for Eucalyptus Park will be funded by ARPA funds. These funds present a significant opportunity for our community to meaningfully address the pandemic’s disproportionate toll on people of color, people with disabilities, immigrant communities, low-income households, and other historically marginalized groups, including the homeless population.

On July 25, 2023, City Council approved staff’s recommendation to amend the City’s spending plan to create new projects and reallocate project that have not reported expenditures to Treasury, be created or reallocated to the revenue recovery expenditure category. This use ensures continuity of vital government services by filling pandemic-caused budget shortfalls, minimize administrative burden and streamline reporting requirements. This project has been reallocated from the Negative Economic Impacts expenditure category to the Revenue Replacement expenditure category. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

This project has not yet started. A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

Palomar Motel

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$13.0 million

Total Expenditures to Date: \$0

In July 2022 Treasury released updated guidance that allows governments to use State and Local Fiscal Recovery Funds (SLFRF) from ARPA under the final rule, for “development, repair, and operational of affordable housing and services or programs to increase long-term housing security”, an enumerated eligible use to respond to impacts of the pandemic on households and communities. In previous guidance, presumptive eligibility for affordable housing projects was limited to The Home Investment Partnership Program (HOME) and The National Housing Trust Fund (HTF). Treasury has updated this list by adding additional programs to increase administrability and clarity in the use of ARPA funds for affordable housing purposes.

On July 25, 2023, City Council approved the allocation of \$13.0 million for the acquisition and renovation of Palomar Hotel, located at 1160 Walnut Avenue in the city of Chula Vista. This project will create permanent supportive housing as a significant step forward in the City’s effort to address homelessness; and provide another long-term solution to the City’s homelessness transition efforts. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

This project has not yet started. A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

Public Arts Grants

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$400,000

Total Expenditures to Date: \$400,000

The Public Arts Grant was proposed for two purposes. The first \$300,000 will be to support the local artists who were directly impacted by the loss of the City of Chula Vista’s Performing Visual Arts Grant. Each year, the City program would grant monies directly to artists to perform/create within city limits to support the following:

- Increase public awareness of, and participation in, performing and cultural arts in our community;

- Support individuals/groups/agencies/organizations that can provide the most accessibility to the cultural arts;
- Encourage the growth of local arts resources;
- Support and encourage new organizations and individuals applying for funding;
- Promote cooperation and collaboration among the Chula Vista Public Library and local schools and performing and visual arts individuals/groups/agencies/organizations;
- Develop cultural venues which will attract both residents and tourists;
- Serve the cultural needs of the community;
- Broaden and leverage public and private support for the performing arts;
- Maintain and preserve the City's artistic cultural and historic heritage; and
- Support exemplary community arts education

The goal of this allocation is to continue to promote and stimulate the growth of performing and cultural arts within the City of Chula Vista through a grant application process for local performing and visual arts groups and individuals. The grant fund supports art projects such as: dance, design arts, media arts, music, photography, theater, traditional/folk arts and visual arts, or interdisciplinary expressions involving more than one of the above fields.

The remaining \$100,000 was allocated for the Small Business Art Incentive Program. The goal of this allocation is supporting our local businesses and artists by providing an incentive for local businesses to purchase art for their businesses that are created directly from our local artists within Chula Vista to further stimulate the art economy.

Use of Evidence

The Create Chula Vista arts grant was designed to revive and stimulate cultural arts in the community after the unprecedented challenges to the industry as a result of the pandemic. Public funding through grants has long been a keystone in supporting and sustaining arts and artists. In turn, cultural arts are an essential part of the economic recovery and vitality of the city by attracting tourism and spending at local businesses, as demonstrated by the data from the Arts and Economic Prosperity Reports administered by the national nonprofit Americans for the Arts.

In addition to stimulating the local economy, the grant aligns with the other goals stated in the City of Chula Vista's Cultural Arts Master Plan, including creating opportunities for public and private partnerships around art projects and building a strong sense of community.

Performance Report

- Total amount of grants distributed: 43
- Number of nonprofits/community-based organizations served: 18
- Number of schools served: 5
- Number of businesses served: 9
- Number of Participants: 15,000

Promoting Equitable Outcomes

In developing the Create Chula Vista Arts grant program, it was well understood that accessibility to cultural arts to all regardless of socioeconomic status, race, or ethnicity was of great importance. Arts are for everyone and enrich lives especially when those who may be historically marginalized in our communities see themselves and their voices reflected in the arts. Hence the

grant guidelines recommend to applicants that grant projects promote cultural equity and inclusion. Additionally, applicants are asked to specify what equity and inclusion efforts will be made in their proposed project, and the grant review committee takes those responses into consideration when selecting recipients.

Starlight Nights (formerly known as Starlight Parade)

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$200,000

Total Expenditures to Date: \$200,000

The Starlight Parade is a City-sponsored event where the City Council commits funding, staffing and other in-kind support for these annual celebrations. These beloved events were cancelled in 2020 and these funds helped reactivate events for local and regional residents and visitors.

The Starlight Parade has been a cherished community event for more than 50 years and has brought tens of thousands of people to Chula Vista. The 2019 Starlight Parade attracted more than 30,000 people to Third Avenue and supported businesses, restaurants, and pubs while promoting community engagement, generating widespread media coverage and social media attention, and promoting sponsor support. Parade entries included spectacular floats, including schools, bands, dance groups, music performances, veterans and military groups, car clubs, local merchants, and more. The planned return of the Starlight Parade was to celebrate our businesses and community as we emerge from the pandemic and bring the magic and spirit of the holidays to the historic Chula Vista Third Avenue Village business corridor.

Performance Report

Because of the ongoing COVID-19 pandemic, the City was unable to host a parade but instead created “Starlight Nights” in collaboration with the Third Avenue Village Association to install and display holiday lights to create a festive holiday destination for residents and visitors to Third Avenue, a major business corridor in the City of Chula Vista. The installation required modification to infrastructure (capital expenditures) on Third Avenue, including:

- Modifying the decorative streetlights between E Street and H Street, inserting a 120V receptacle into each one to allow for decorations to be temporarily installed along the avenue.
- Modifying the medians between E Street and Park Way to install tree rings and up-lights in the palm trees.

Promotion of Equitable Outcomes

The contract for this work was awarded to Pro Cal Lighting, a local San Diego County business and Certified Minority Owned Business, Disadvantaged Business Enterprise and Small Business.

Equity and Inclusion

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$200,000

Total Expenditures to Date: \$93,336

The City has embarked upon advancing intentional equity and inclusion efforts to unify existing projects and programs and create a future action plan to ensure equitable practices in all facets of city operations. This funding would be allocated towards third party assistance in facilitating discussions and collaborating with internal and external stakeholders to create a broader citywide approach that may result in an Equity and Inclusion Action Plan. The Equity And inclusion effort are being pursued in conjunction with the City Manager's acceptance into the Leadership Institute on Race, Equity And Inclusion Led by The ICMA, Kettering Foundation and National Civic League.

Promotion of Equitable Outcomes

To further advance the City's efforts in creating a more inclusive and equitable community, culture and workplace, the City of Chula Vista has embarked on a deliberate process that coordinates and collaborates with all city departments, all levels of city staff and the community in the development of strategies and recommendations to create a Justice, Equity, Diversity and Inclusion (JEDI) Action Plan. This funding has been allocated toward third party assistance in facilitating discussions and collaborating with internal and external stakeholders in the creation of the Action Plan. The Equity and inclusion effort are being pursued in conjunction with the City Manager's acceptance into the Leadership Institute on Race, Equity and Inclusion led by the ICMA, Kettering Foundation and National Civic League.

Performance Report

On July 19, 2022, the City Council authorized Resolution to approve an agreement with Tribes Consulting to perform outreach and assessments to develop a Justice, Equity, Diversity and Inclusion (JEDI) Strategic Action Plan. The City Council action including the consulting firm's RFP (Request for Proposal) and two-party agreement.

On August 3, 2022, the City Manager issued a city-wide memorandum to all staff announcing the JEDI effort. On August 8, 2022 staff and the consultant team presented about the JEDI effort at the City Manager's all-managers meeting. Daily from August 8-10, staff and the consultant team met with all department heads, city councilmembers, and labor union presidents to present the future process for the JEDI effort.

The week of September 12th, the consultant team and staff held 19 focus groups of internal city staff. The feedback will be used to create a cultural assessment report. In October, six community focus groups were held to engage with the community and collect feedback on JEDI Perspectives.

In November and December, the consultant team spent time with various City departments to view operations at City Hall, visited the Animal Care Facility, went on ride-alongs with the Fire and Police Departments, attended the State of the City address, and attended the Library of Us event. A cultural assessment report is nearing completion which will be presented to city management in January. A robust document request was provided to staff which will inform the structural assessment that will be completed over the next few quarters.

In January 2023, staff and the consultant team began preparing for additional community outreach events called Community Building Roundtables. These events will be held in each of the four City Council Districts the last week of April. A robust outreach plan has been launched and is the primary focus of the consultant team and City staff. On February 7th, staff presented the JEDI program and efforts to-date to the City Council in a City Council Workshop. The Mayor and new

Councilmembers are supportive of the program. On March 19th, the consultant team held an interactive session with all Department Heads to update them on efforts to date and the process moving forward. On March 23rd, the consultant team attended the Coffee With A Cop event to observe the Police Department's interactions with the community. They also had a strategy session with the City Manager, Deputy City Manager and Project Manager.

On April 3rd, the Project Manager presented an update at the City's All Manager's Meeting. An announcement was shared to invite staff to sign up for the City's first internal JEDI Guidance Council. The sign-up window has now closed and 23 volunteers from across many departments have registered. An orientation for the JEDI Council will be held on April 26th. Their primary role will be to serve as the organization's change agents and to develop what the City's JEDI lens is. In the time period of January – March, the consultant team also prepared a Cultural Assessment Report that staff is reviewing.

The last week of April, four community building roundtable events were held at various places in the community. Three were held in English with Spanish translation and one was held in Spanish with English translation. Over 80 attendees participated in these roundtable groups. The success of the roundtables is best measured not by the quantity of attendees, but instead by the quality of dialogue and diversity represented among attendees. In the community roundtables, participants engaged in open dialogue around the following prompts:

- What do you love about living in Chula Vista?
- What could be improved about Chula Vista?
- What does the City engaging in JEDI practices mean to you? What is IT?
- What isms are prominent to you in the community?
- Are there City services and programs you haven't had access to or would like to see added?
- What groups are marginalized or minoritized in Chula Vista?
- If you were to create a new Chula Vista, a personal utopia, what are two things you would want to have?
- What was the impact of engaging in this roundtable?

The responses and outcomes from the roundtables are being synthesized into a Community Impact Report. The Community Impact Report will be completed after additional outreach with the 35 and under population which is anticipated to happen in the fall.

The JEDI Guidance Council comprised of city staff was formed and orientation was held on April 26, 2023. During this time period, the JEDI Council met twice after their orientation to begin learning some foundational information.

ADA Self-Evaluation and Transition Plan Update

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$1,100,000

Total Expenditures to Date: \$0

The City is moving forward with a comprehensive Americans with Disabilities Act (ADA) self-evaluation and update to the City's existing Transition Plan. Through this effort, the City will

undergo a self-assessment of current compliance status in all City facilities and identify items that are non-compliant with Federal and State ADA Accessibility Guidelines and take the necessary steps to update the Transition Plan including the following: a) identification of barriers and prioritization of solutions; b) establish a list of City services, including a map of the path of travel to each service along the barriers to be removed in order to achieve compliance; c) cost estimates for modifications needed in order to achieve compliance with guidelines; and d) recommendations to update existing policies and to create new policies in order to achieve compliance with the Guidance. On July 25, 2023, City Council approved the allocation of \$1.1 million for the creation of this new project. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

This project has not yet started. A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

Public Engagement Platform

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$128,196

Total Expenditures to Date: \$0

The City is in the process of procuring an online software as a service (SaaS) public engagement platform. The implementation of a public engagement platform will centralize and encourage public participation in City projects, programs, and initiatives while providing rich and intuitive tools for learning and collecting input from all members of the public. The City is seeking a platform that is flexible, interactive, user friendly and capable of supporting multiple public engagement projects simultaneously. On July 25, 2023, City Council approved the creation and allocation of \$128,196 this change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.

Performance Report

This project has not yet started. A Performance Report as well as information on Use of Evidence and Promotion of Equitable Outcomes will be provided in subsequent Recovery Plan reports.

University Innovation Center and Recruitment

Project Expenditure Category: *6.1 Provision of Government Services*

Funding Amount: \$2.71 million

Total Expenditures to Date: \$0

Previously appropriated ARPA funding for this project will be reallocated to fund other ARPA projects as the City will no longer move forward with this project under ARPA funding. The City has been awarded State grant funding to move forward with this project. On July 25, 2023, City

Council approved staff's recommendation to amend the City's spending plan to close out completed projects and reallocate any remaining funds to the revenue recovery expenditure category. This use ensures continuity of vital government services by filling pandemic-caused budget shortfalls, minimize administrative burden and streamline reporting requirements. This project will be closed out and the funding will be reallocated within the Revenue Replacement expenditure category. This change will be reflected in the next Project & Expenditure Report submitted to Treasury in October 2023.