

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: CHIEF EXECUTIVE OFFICE

BOARD AGENDA # B-23

Urgent _____ Routine _____

AGENDA DATE June 12, 2001

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES _____ NO X

SUBJECT: APPROVAL OF RECOMMENDATION IMPLEMENTING THE RENAISSANCE
2000 PROJECT AND USE OF TOBACCO TAX FUNDS FOR FISCAL YEAR
2001-2002 AND FISCAL YEAR 2002-2003

STAFF
RECOMMEN-
DATIONS:

1. APPROVE THE PROPOSED PROJECTS FOR FISCAL YEARS 2001-2002 AND 2002-2003.
2. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO PREPARE REQUESTS FOR PROPOSALS (RFP) FOR USE OF ONE-TIME TOBACCO SETTLEMENT FUNDS USING THE GENERAL CRITERIA OUTLINED IN THIS REPORT.
3. DIRECT THE CHIEF EXECUTIVE OFFICER TO INCORPORATE THIS PLAN INTO THE 2001-2002 FINAL BUDGET AND INTO THE 2002-2003 PROPOSED BUDGET WHEN IT IS PREPARED IN THE SPRING OF 2002.

FISCAL
IMPACT:

During Fiscal Year 2001-2002, we are projecting \$4,000,000 in tobacco lawsuit Settlement receipts. For planning and budgeting purposes, we are projecting a similar amount in the 2002-2003 Fiscal Year. The use of this \$8,000,000 in funds is being recommended for capital needs, one-time or start-up funds for community proposals and any unused funds be considered for contribution to the Economic Development Bank.

(CONTINUED ON PAGE 2)

No. 2001-445

BOARD ACTION AS FOLLOWS:

On motion of Supervisor Blom , Seconded by Supervisor Caruso

and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Simon, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) _____ Approved as recommended

2) _____ Denied

3) X Approved as amended

MOTION:

THE BOARD REMOVED STAFF RECOMMENDATION #2 AND APPROVED THIS ITEM WITH STAFF RECOMMENDATIONS #1 AND #3 ONLY.

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

By: Deputy

Christine Ferraro

File No.

**FISCAL
IMPACT:
(Con't)**

For infrastructure projects we are also proposing the use of additional funds available from the State's Local Road Maintenance and Repair Program.

The proposed allocation of funds are:

	<u>2001-2002</u>	<u>2002-2003</u>
Infrastructure	\$2,000,000	\$2,000,000
Road Funds	<u>\$1,600,000</u>	<u>\$ 900,000</u>
Total	\$3,600,000	\$2,900,000
Community Centers	\$1,000,000	\$1,000,000
Community Partnerships	<u>\$1,000,000</u>	<u>\$1,000,000</u>
Total All Funds	\$5,600,000	\$4,900,000

DISCUSSION: WHY

As a part of the Federal settlement of a lawsuit against the tobacco companies, the State of California, its 58 counties and 4 cities will receive payments from the tobacco companies. There is no term to these payments although the risks of tobacco company bankruptcies, changes in Federal Law and lawsuits by other persons would impact the amount received by lowering payments over time. This Board approved a securitization financing strategy that would pledge future income to pay off bonds sold now (at a discount) in order to minimize these risks. Because of legal issues still being resolved, we have not been able to implement this strategy to date.

As a part of the Board's planning to use these funds in a manner that avoided incorporating them into the operating budget, the Board had a county-wide community assessment of needs by cities, neighborhoods, community groups and other to gain additional insight into the beneficial use of these funds in response to community priorities. As a part of this community assessment and priority setting, the Board incorporated the concept of partnering the use of these with Welfare to Work Incentive Funds, Proposition 10 funds and other third party sources of funding. We are recommending criteria for evaluating community proposals that encourages this partnering concept.

The Board meet again on April 17, 2001, in a planning session and provided staff direction on the use of these funds.

WHAT

The Board directed that the funds be used to:

1. Help rebuild unincorporated neighborhood infrastructures (streets, curbs, gutters, storm drains) that brings them up to today's standards.
2. Partner with cities in unincorporated islands that would encourage in-fill annexations when completed.
3. Develop community service centers in our more needy unincorporated communities that allows for further service delivery where people live and provides opportunity for community activities that improve activities to youths, seniors and other citizens.
4. Make some funds available each year for community organizations, cities, schools, special districts and others that provide programs, services and facilities that build upon and contribute to the Board's overall goals and objectives and the community priorities that have been identified.
5. Expedite the process, get projects underway quickly and make the request for proposal process simple and direct.

HOW

In consultation with the Public Works Director, Planning Director and the County's Capital Project Team and the Renaissance Project Steering Committee, we have identified projects that we believe meet the above five criteria. We have delivered two years worth of effort and funding, and plan on each subsequent year adding the next year out. In this way, there will always be two years worth of projects under construction and being planned.

The process for seeking community proposals will be kept as simple as possible, but must still comply with the law, provide accountability, be a public purpose, insure access to facilities, programs and services without discrimination of any kind, and as a matter of ranking, encourage more than just these funds to support a project. Additionally, one time uses should be ranked higher than on-going support. We plan to use existing Chief Executive Office and County Departmental staff to prepare the RFP's, complete evaluations and prepare recommendations for Board consideration. Our schedule calls for issuance of RFP's by the first week of July, a 60-day response period, at least one community workshop on how to apply, and when required, provide technical and consulting assistance to those who may not have access to these type of

resources. When appropriate, we will invite member of the community to participate on evaluation teams and use the Board's many volunteers on its various commissions or advisory bodies for proposals in specific areas. We would expect to be presenting to the Board our initial recommendations by the end of September, after adoption of the Final Budget.

WHAT IF

If this current plan and attached project list is approved, the next two years should see more than five miles of infrastructure improvements in unincorporated communities and urban islands, three community centers completed or under construction and \$2,000,000 worth of community proposals funded.

POLICY ISSUES:

Does this plan and list of projects meet the Board's goals of safe, healthy communities, efficient government services and multi-jurisdictional cooperation.

STAFFING IMPACT:

Existing staff will be used.

Attachment A

Proposed Projects Fiscal Year 2001-2002

Infrastructure

1. Abbey Street and South Avenue/Empire. These streets are some of the most substandard in the County's roadway network. Additionally, there is an existing County community center on Abbey Street. Estimated Cost \$700,000.
2. Robertson Road Area. The streets in the Robertson Road area were decimated by the floods of 1997. Two years ago the streets were overlaid with asphalt concrete because they were becoming impassible. Additional road improvements and proper storm drains need to be done to preserve what has been done and bring the neighborhood up to a better standard. Cost of the entire project is estimated to be \$1,800,000.
3. Shakelford Area. The Redevelopment Agency will be installing sewers during the summer of 2002. This presents an opportunity to combine sewer and road projects and save money. The sewer project will require the roads to be torn-up. The total project is estimated to cost \$4,400,000. We are recommending \$1.1 million be set aside in 2001-2002 and \$2.9 million be made available from Tobacco (\$2,000,000) and Road funds (\$900,000) in 2002-2003.

Future road projects would focus on the communities of Keyes and West Modesto in year three of the program; Empire, West Modesto and Turlock islands in year four; and Empire and West Modesto in year five. The total estimated cost of years three through five is \$7,200,000 in Tobacco funds and Road funds which should improve an additional ten miles of roads and infrastructure.

Community Centers 2001/02 and 2002/03

1. Salida Community Center. This is a large project that involves the Library, Health Services Agency, Sheriff, other County departments and the community. Part of the project includes a community hall at an estimated cost of \$750,000. The remaining project cost is approximately \$14,000,000.
2. Waterford City Hall and Community Center. Their joint project includes a Library, Sheriff's station, City Hall, Community Center, and other office space. The Community Hall space of this project is estimated to be \$300,000.
3. Grayson Community Center and Recreational Facility. This project would involve a community center, space for youth programs (PAL), intermittent County program use and meeting space are being discussed. In addition we are exploring a small community park and recreational facility as part of this project. Total estimated cost is \$950,000.

Each of these projects will require additional planning, engineering and development. As this is finished each individual project will be brought back for Board consideration and approval.

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