



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

# Agenda

## City Council Regular Meeting

City Council Chambers, Folsom City Hall

January 24, 2023

6:30 PM

## Welcome to Your City Council Meeting

We welcome your interest and involvement in the city’s legislative process. This agenda includes information about topics coming before the City Council and the action recommended by city staff. You can read about each topic in the staff reports, which are available on the city website and in the Office of the City Clerk. The City Clerk is also available to answer any questions you have about City Council meeting procedures.

### Participation

If you would like to provide comments to the City Council, please:




- Fill out a blue speaker request form, located at the back table.
- Submit the form to the City Clerk before the item begins.
- When it’s your turn, the City Clerk will call your name and invite you to the podium.
- Speakers have three minutes, unless the presiding officer (usually the mayor) changes that time.

### Reasonable Accommodations

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk’s Office at (916) 461-6035, (916) 355-7328 (fax) or [CityClerkDept@folsom.ca.us](mailto:CityClerkDept@folsom.ca.us). Requests must be made as early as possible and at least two full business days before the start of the meeting.

### How to Watch

The City of Folsom provides three ways to watch a City Council meeting:

In Person	Online	On TV
		
City Council meetings take place at City Hall, 50 Natoma Street	Watch the livestream and replay past meetings on the city website, <a href="http://www.folsom.ca.us">www.folsom.ca.us</a>	Watch live and replays of meetings on Sac Metro Cable TV, Channel 14

**More information about City Council meetings is available at the end of this agenda**



CITY OF  
**FOLSOM**  
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## City Council Regular Meeting

**Folsom City Council Chambers  
50 Natoma Street, Folsom, CA**

[www.folsom.ca.us](http://www.folsom.ca.us)

**Tuesday, January 24, 2023 6:30 PM**

*Rosario Rodriguez, Mayor*

*YK Chalamcherla, Vice Mayor  
Mike Kozlowski, Councilmember*

*Sarah Aquino, Councilmember  
Anna Rohrbough, Councilmember*

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### REGULAR CITY COUNCIL AGENDA

Effective July 7, 2022, the City of Folsom returned to all in-person City Council, Commission, and Committee meetings. Remote participation for the public will no longer be offered. Everyone is invited and encouraged to attend and participate in City meetings in person.

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#### **CALL TO ORDER**

#### **ROLL CALL:**

**Councilmembers: Chalamcherla, Kozlowski, Rohrbough, Aquino, Rodriguez**

The City Council has adopted a policy that no new item will begin after 10:30 p.m. Therefore, if you are here for an item that has not been heard by 10:30 p.m., you may leave, as the item will be continued to a future Council Meeting.

#### **PLEDGE OF ALLEGIANCE**

#### **AGENDA UPDATE**

#### **BUSINESS FROM THE FLOOR:**

Members of the public are entitled to address the City Council concerning any item within the Folsom City Council's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda.

#### **SCHEDULED PRESENTATIONS:**

- [1.](#) Resolution of Commendation Honoring the Folsom Jr. Bulldogs for Earning the 2022 Excellence in Academics and Athletics Award
- [2.](#) Recognition of 2022 Folsom Holiday Lights Contest Winners

## **CONSENT CALENDAR:**

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. City Councilmembers may pull an item for discussion.

- [3.](#) Approval of January 10, 2023 Special and Regular Meeting Minutes
- [4.](#) Appointment of City Council Representatives to Regional Commissions
- [5.](#) Mayor's Appointment and Confirmation by the City Council of Planning Commissioners to Serve on the Historic District Commission
- [6.](#) Resolution No. 10975 – A Resolution Rejecting Bids for the Purchase of Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP)
- [7.](#) Resolution No. 10976 - A Resolution Authorizing the City Manager to Execute a Contract Between the City of Folsom and the Sacramento Society for the Prevention of Cruelty to Animals (SSPCA)
- [8.](#) Resolution No. 10978 – A Resolution Authorizing the City Manager to Execute an Agreement with PlayCore Wisconsin, Inc., DBA GameTime, for the Ed Mitchell Park Shade Structure and Site Furnishings Project
- [9.](#) Resolution No. 10979 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Contract with RRM Design Group for Additional Landscape Architectural Services for the Johnny Cash Trail Art Experience – Cash's Pick Number 1 Project
- [10.](#) Resolution No. 10980 - A Resolution Directing the Finance Director to Make a Transfer from the General Fund and Enterprise Funds to the Risk Management and Compensated Leaves Internal Service Funds to Replenish Reserve Balances Used During the COVID-19 Related Economic Downturn

## **OLD BUSINESS:**

- [11.](#) Consideration of Expenditure of Funds from the American Rescue Plan Act and Direction to Staff
- [12.](#) Resolution No. 10982 - A Resolution of the City Council of the City of Folsom Proclaiming Termination of Winter Storm Local Emergency

## **NEW BUSINESS:**

- [13.](#) Introduction and Direction to Staff Regarding the River District Master Plan Planning and Community Engagement Process
- [14.](#) Introduction and Direction to Staff Regarding the Central Business District Master Plan Planning and Community Engagement Process
- [15.](#) Preliminary Budget Workshop with Mid-Year Budget Review, Presentation of Departmental Priorities, and Direction to Staff

## **CITY MANAGER REPORTS:**

## **COUNCIL COMMENTS:**

## **ADJOURNMENT**

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***NOTICE:** Members of the public are entitled to directly address the City Council concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to*

address Council on an issue, which is on this agenda, please complete a blue speaker request card, and deliver it to a staff member at the table on the left side of the Council Chambers prior to discussion of the item. When your name is called, stand to be recognized by the Mayor and then proceed to the podium. If you wish to address the City Council on any other item of interest to the public, when the Mayor asks if there is any "Business from the Floor," follow the same procedure described above. Please limit your comments to three minutes or less.

**NOTICE REGARDING CHALLENGES TO DECISIONS:** Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, the public hearing.

As presiding officer, the Mayor has the authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Council, and to enforce the rules of the Council.

**PERSONS INTERESTED IN PROPOSING AN ITEM FOR THE CITY COUNCIL AGENDA SHOULD CONTACT A MEMBER OF THE CITY COUNCIL.**

The meeting of the Folsom City Council is being telecast on Metro Cable TV, Channel 14, the Government Affairs Channel, and will be shown in its entirety on the Friday and Saturday following the meeting, both at 9 a.m. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14. The City of Folsom provides live and archived webcasts of regular City Council meetings. The webcasts can be found on the online services page of the City's website [www.folsom.ca.us](http://www.folsom.ca.us).

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (916) 461-6035, (916) 355-7328 (fax) or [CityClerkDept@folsom.ca.us](mailto:CityClerkDept@folsom.ca.us). Requests must be made as early as possible and at least two full business days before the start of the meeting.

Any documents produced by the City and distributed to the City Council regarding any item on this agenda will be made available at the City Clerk's Counter at City Hall located at 50 Natoma Street, Folsom, California and at the Folsom Public Library located at 411 Stafford Street, Folsom, California during normal business hours.

# City of Folsom Resolution of Commendation

*Honoring*

## **THE FOLSOM JR. BULLDOGS**

*for earning the*

**2022**

### **EXCELLENCE IN ACADEMICS AND ATHLETICS AWARD**

**WHEREAS,** the Folsom Jr. Bulldogs is an official youth football and cheer association in Folsom; and

**WHEREAS,** the Folsom Jr. Bulldogs organization is committed to both academic and athletic excellence; and

**WHEREAS,** members of the Folsom Jr. Bulldog football and cheer teams maintained a grade point average of 3.0 or better during the football and cheer season; and

**WHEREAS,** this level of academic and athletic achievement merits recognition from the City of Folsom.

**NOW, THEREFORE, I, ROSARIO RODRIGUEZ,** Mayor of the City of Folsom, on behalf of the Folsom City Council and the Folsom community, do hereby extend commendations in the highest regard to the members of the

### **Folsom Jr. Bulldogs**

who earned the *Excellence in Academics and Athletics Award 2022* and encourage their continued excellence in the future.

**PASSED AND APPROVED** this 24<sup>th</sup> day of January 2023.



*Rosario Rodriguez*  
Rosario Rodriguez, Mayor

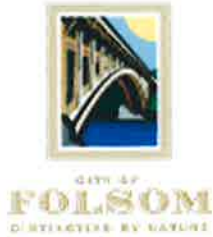
ATTEST:

*Christa Freemantle*  
Christa Freemantle, City Clerk

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# Folsom City Council Staff Report

<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Scheduled Presentations
<b>SUBJECT:</b>	Recognition of 2022 Folsom Holiday Lights Contest Winners
<b>FROM:</b>	City Manager's Office

### RECOMMENDATION / CITY COUNCIL ACTION

The Folsom City Council will recognize the 2022 Holiday Lights Contest winners.

### BACKGROUND / ISSUE

The City of Folsom hosted the citywide Folsom Holiday Lights Contest in December 2022. Nearly 50 entries were received in five different categories. All participating homes and businesses were listed on the city website and featured on an interactive map.

The entries were judged by five Folsom City Councilmembers. Winners received a commemorative sign from the City of Folsom and were recognized in the Folsom Telegraph, the city e-newsletter, and on city social media pages.

2022 Folsom Holiday Lights Contest winners:

Clark Griswold – Best use of holiday lights  
720 Hildebrand Circle

Holly Jolly Residence – Best overall residence  
530 Flower Drive

Hollywood Christmas – Best use of theme and/or fictional characters  
152 Witmer Drive

Illuminate the Block – Best multi-house display  
Ledgemont Ct/Dulverton Circle

Merry and Bright Business  
Bayside Folsom, 890 Glenn Drive

Submitted,

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Chris Shepard, Communications Officer



# City Council Special Meeting

## MINUTES

Tuesday, January 10, 2023 5:30 PM

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### CALL TO ORDER

The special City Council meeting was called to order at 5:30 p.m. with Mayor Rosario Rodriguez presiding.

### ROLL CALL:

Councilmembers Present: Sarah Aquino, Councilmember  
YK Chalamcherla, Vice Mayor  
Mike Kozlowski, Councilmember  
Anna Rohrbough, Councilmember  
Rosario Rodriguez, Mayor

Councilmembers Absent: None

Participating Staff: City Manager Elaine Andersen  
City Attorney Steve Wang  
City Clerk Christa Freemantle

### ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Conference with Legal Counsel - Existing Litigation - Pursuant to Government Code section 54956.9(d)(1): American Medical Response West v. California Department of Health Services, Sacramento County Superior Court Case No. 34-2021-80003757
2. Conference with Legal Counsel - Existing Litigation - Pursuant to Government Code section 54956.9(d)(1): Harold Malmquist v. City of Folsom, Sacramento County Superior Court Case No. 34-2021-00297646
3. Conference with Legal Counsel - Existing Litigation - Pursuant to Government Code section 54956.9(d)(1): Vince Murdock and Kira Murdock v. City of Folsom, et al., Sacramento County Superior Court Case No. 34-2022-00331134

**Motion by Councilmember Sarah Aquino, second by Vice Mayor YK Chalamcherla, to adjourn to closed session for the above referenced items. Motion carried with the following roll call vote:**

**AYES:** Councilmember(s): Aquino Chalamcherla, Kozlowski, Rohrbough, Rodriguez  
**NOES:** Councilmember(s): None  
**ABSENT:** Councilmember(s): None  
**ABSTAIN:** Councilmember(s): None

**RECONVENE**

City Attorney Steven Wang announced that no final action was taken during closed session.

**ADJOURNMENT**

The special meeting was adjourned to the regular City Council meeting at 6:39 p.m.

SUBMITTED BY:

\_\_\_\_\_  
Christa Freemantle, City Clerk

ATTEST:

\_\_\_\_\_  
Rosario Rodriguez, Mayor

# City Council Regular Meeting

## MINUTES

Tuesday, January 10, 2023 6:30 PM

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### CALL TO ORDER

The regular City Council meeting was called to order at 6:40 pm with Mayor Rosario Rodriguez presiding.

### ROLL CALL:

Councilmembers Present: Sarah Aquino, Councilmember  
YK Chalamcherla, Vice Mayor  
Mike Kozlowski, Councilmember  
Anna Rohrbough, Councilmember  
Rosario Rodriguez, Mayor

Councilmembers Absent: None

Participating Staff: City Manager Elaine Andersen  
City Attorney Steven Wang  
City Clerk Christa Freemantle  
Parks and Recreation Director Lorraine Poggione  
Public Works Director Mark Rackovan  
Senior Civil Engineer Zach Bosch

### PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

### AGENDA UPDATE

City Attorney Steve Wang announced that there was additional information for items 2 and 14 and revised staff reports for items 6 and 11.

Mayor Rosario Rodriguez announced that New Business item 15 would come before item 14.

### BUSINESS FROM THE FLOOR:

The following speakers addressed the City Council:

1. Rich Foreman regarding a proposal for an entrepreneur and innovation investment from the City
2. Agamyra Rao regarding Diwali Festival
3. Ravi Krishna Pothannagaari regarding the Save Our Diwali Initiative
4. Aanchal Mishra regarding the Save Our Diwali food drive
5. Dr. Kate Cordell regarding support for local startups
6. Michael Curtin regarding support for local startups
7. Scott Rafferty regarding election litigation

8. Jacob Rangel regarding support for local startups
9. Robert Dresser regarding election litigation

### **CONSENT CALENDAR:**

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. City Councilmembers may pull an item for discussion.

1. Approval of December 12, 2022 Special Meeting Minutes
2. **Pulled for comment**
3. Ordinance No. 1335 – An Ordinance of the City of Folsom Repealing and Re-enacting Chapter 8.36 of the Folsom Municipal Code Concerning the Folsom Fire Code (Second Reading and Adoption)
4. Ordinance No. 1336 - An Ordinance of the City of Folsom Repealing and Re-Enacting Certain Chapters of Title 14, "Buildings and Construction", of the Folsom Municipal Code Concerning Enforcement of Folsom Building Codes (Second Reading and Adoption)
5. Resolution No. 10967 - A Resolution Authorizing the City Manager to Execute Amendment No. 2 to the Agreement with Terracare Associates LLC for the Maintenance of Parks, Trails and Pet Stations, and Streetscapes/Public Works Areas for the City of Folsom
6. **Pulled for comment**
7. Resolution No. 10969 - A Resolution Authorizing the Environmental and Water Resources Department to Continue Current Rebate Programs for City Water Customers and Appropriation of Funds
8. Resolution No. 10970 - A Resolution Authorizing the City Manager to Execute an Agreement with Domenichelli & Associates, Inc. for Design and Engineering Services During Construction for the Water System Rehabilitation Project No. 3
9. Resolution No. 10971 – A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Agreement (Contract No. 172-21 22-033) for the Sewer Easement and Maintenance Agreement Between 9900 Greenback Lane LLC and the City of Folsom for the Construction of the Greenback Sewer and Lift Station No.3 Project
10. Resolution No. 10972 - A Resolution Authorizing the City Manager to Execute a Contract Change Order for Traffic Signal Interconnect Infrastructure with Goodfellow Brothers, LLC (Contract No. 174-21 20-060) for the Capital Southeast Connector Segment D3(A), Project No. PW1607, Federal Project No. 5288(046)
11. Resolution No. 10973 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with Central Valley Engineering & Asphalt, Inc. for the Hinkle Creek Nature Center Parking Lot Paving FY 2022-23
12. Resolution No. 10974 – A Resolution Authorizing the City Manager to Execute an Amendment to the Agreement for Design Consulting Services with Kimley Horn and Associates, Inc. for On-Call Traffic Engineering FY 2022-23 and Appropriation of Funds

**Motion by Councilmember Sarah Aquino, second by Vice Mayor YK Chalamcherla, to approve Consent Calendar items 1, 3-5 and 7-12.**

**Motion carried with the following roll call vote:**

**AYES:** Councilmember(s): Aquino, Chalamcherla, Kozlowski, Rohrbough, Rodriguez  
**NOES:** Councilmember(s): None  
**ABSENT:** Councilmember(s): None  
**ABSTAIN:** Councilmember(s): None

**CONSENT CALENDAR ITEMS PULLED FOR DISCUSSION:**

## 2. Approval of December 13, 2022 Special and Regular Meeting Minutes

Councilmember Mike Kozlowski responded to comments from Bob Delp regarding details of City Council minutes. City Clerk Christ Freemantle provided additional information.

**Motion by Councilmember Mike Kozlowski, second by Councilmember Sarah Aquino, to approve the minutes of December 13, 2022.**

**Motion carried with the following roll call vote:**

**AYES:** Councilmember(s): Aquino, Chalamcherla, Kozlowski, Rohrbough, Rodriguez  
**NOES:** Councilmember(s): None  
**ABSENT:** Councilmember(s): None  
**ABSTAIN:** Councilmember(s): None

## 6. Resolution No. 10968 - A Resolution Rejecting All Submitted Bids for the Corten Steel Sign Manufacturing and Installation Project within Willow Creek Estates South for the City of Folsom

Landscape and Lighting District Advisory Committee Member Ian Cornell encouraged the City Council to not approve the resolution for this item and to accept the lowest bid for the project.

The City Council discussed the item and received clarification from City Attorney Steve Wang and Parks and Recreation Director Lorraine Poggione.

**Motion by Councilmember Sarah Aquino, second by Councilmember Anna Rohrbough, to reject Resolution No. 10968 and award the contract to the lowest bidder.**

**Motion carried with the following roll call vote:**

**AYES:** Councilmember(s): Aquino, Kozlowski, Rohrbough  
**NOES:** Councilmember(s): Chalamcherla, Rodriguez  
**ABSENT:** Councilmember(s): None  
**ABSTAIN:** Councilmember(s): None

**NEW BUSINESS:**

## 13. At-Large Appointments to the Arts and Culture Commission, Historic District Commission, Landscaping and Lighting District Advisory Committee, Library Commission, Parks and Recreation Commission, Planning Commission, Traffic Safety Committee, and Utility Commission

City Clerk Christa Freemantle made a presentation explaining the open ballot process for making commission appointments. She provided ballots to each Councilmember.

**Planning Commission (two at-large seats)**

Ravi Kahlon addressed the City Council sharing her interest in serving on the Planning Commission.

Councilmember Sarah Aquino voted for Justin Raithel and Bill Romanelli.  
Vice Mayor YK Chalamcherla voted for James Ortega and Bill Romanelli.  
Mayor Rosario Rodriguez voted for James Ortega and Bill Romanelli.  
Councilmember Anna Rohrbough voted for James Ortega and Bill Romanelli.  
Councilmember Mike Kozlowski voted for Justin Raithel and Bill Romanelli.

James Ortega and Bill Romanelli were appointed to the Planning Commission.

**Parks and Recreation Commission (two at-large seats)**

Councilmember Sarah Aquino commented regarding appointments of members.

Vice Mayor YK Chalamcherla voted for Samantha Davidson and William Davis.  
Councilmember Sarah Aquino voted for Samantha Davidson and William Davis.  
Councilmember Mike Kozlowski voted for Samantha Davidson and William Davis.  
Councilmember Anna Rohrbough voted for Samantha Davidson and Bhaskar Vempati.  
Mayor Rosario Rodriguez voted for Samantha Davidson and Bhaskar Vempati.

Samantha Davidson and William Davis were appointed to the Parks and Recreation Commission.

**Utility Commission (two at-large seats)**

Councilmember Sarah Aquino voted for Mel Knight and Mark Menz.  
Vice Mayor YK Chalamcherla voted for Mark Menz and Bhaskar Vempati.  
Councilmember Anna Rohrbough voted for Mark Menz and Bhaskar Vempati.  
Councilmember Mike Kozlowski voted for Craig Daniel and Ginger Lu  
Mayor Rosario Rodriguez voted for Craig Daniel and Mark Menz.

There was a tie vote between Craig Daniel and Bhaskar Vempati. Mayor Rosario Rodriguez changed her vote from Craig Daniel to Bhaskar Vempati.

Mark Menz and Bhaskar Vempati were appointed to the Utility Commission.

**Library Commission (two at-large seats)**

Councilmember Anna Rohrbough voted for Kathryn Allaman and Fang Xu.  
Vice Mayor YK Chalamcherla voted for Kathryn Allaman and Fang Xu.  
Councilmember Sarah Aquino voted for Kathryn Allaman and Ron Byrd.  
Mayor Rosario Rodriguez voted for Kathryn Allaman and Fang Xu.  
Councilmember Mike Kozlowski voted for Ron Byrd and Tyler Johnstone.

Kathryn Allaman and Fang Xu were appointed to the Library Commission.

**Arts and Culture Commission (two at-large seats)**

Vice Mayor YK Chalamcherla voted for Marc Allaman and Lucinda Winward.  
 Councilmember Sarah Aquino voted for Marc Allaman and Lucinda Winward.  
 Councilmember Anna Rohrbough voted for Albina Suarez-Ojedis and Lucinda Winward.  
 Councilmember Mike Kozlowski voted for Lisa Magon and Lucinda Winward.  
 Mayor Rosario Rodriguez voted for Marc Allaman and Lucinda Winward.

Lucinda Winward and Marc Allaman were appointed to the Art and Culture Commission.

**Traffic Safety Committee**

Councilmember Sarah Aquino voted for Scott Bailey and Kevin Goddard for Citizen Representative and Joanne Brausch for Pedestrian/Bicycle Safety.

Vice Mayor YK Chalamcherla voted for Scott Bailey and Kevin Goddard for Citizen Representative and Joanne Brausch for Pedestrian/Bicycle Safety.

Mayor Rosario Rodriguez voted for Scott Bailey and Mike Edwards for Citizen Representative and Joanne Brausch for Pedestrian/Bicycle Safety.

Councilmember Mike Kozlowski voted for Jeff Mann and Bob Parkins for Citizen Representative and Joanne Brausch for Pedestrian/Bicycle Safety.

Councilmember Anna Rohrbough voted for Scott Bailey and Kevin Goddard for Citizen Representative and Joanne Brausch for Pedestrian/Bicycle Safety.

Scott Bailey and Kevin Goddard were appointed to the Traffic Safety Committee as Citizen Representatives.

Joanne Brausch was appointed to the Traffic Safety Committee as the Pedestrian/Bicycle Safety Representative.

**Landscaping and Lighting Districts Advisory Committee**

There were single applicants in five of the Landscaping and Lighting Districts Advisory Committee districts therefore the following were appointed:

Edward Myers was appointed to Broadstone District.  
 Joshua Baker was appointed to Cobble Hills Ridge II/Reflections District.  
 Dina Collins was appointed to Folsom Heights/California Hills District.  
 Tim O'Leary was appointed to Prairie Oaks District.  
 Joanna Stanfield was appointed to Sierra Estates District.

For the Natoma Station District the following votes were made:

Vice Mayor YK Chalamcherla voted for Joe Marceau.  
 Councilmember Sarah Aquino voted for Joe Marceau.  
 Mayor Rosario Rodriguez voted for Joe Marceau.  
 Councilmember Mike Kozlowski voted for Joe Marceau.  
 Councilmember Anna Rohrbough voted for Joe Marceau.

Joe Marceau was appointed to the Landscaping and Lighting Districts Advisory Committee for Natoma Station District.

### **Historic District Commission**

City Clerk Christa Freemantle explained that typically the Planning Commission nominates two commissioners to serve on the Historic District Commission with an affirmation by the City Council. She further explained that there were no applicants for the Architect/Landscape Representative therefore that vacancy would be readvertised and come back to the City Council for appointment at a future meeting.

The City Council unanimously appointed John Felts to the Historic District Commission for Business Representative (outside Sutter Street).

### **Item taken out of order.**

15. Report on Traffic Roundabout Fact-Finding Mission and Direction to Staff Regarding Future Consideration of a Traffic Roundabout Policy

Public Works Director Mark Rackovan made a presentation and introduced consultant for Kimley-Horn, Civil and Traffic Engineer Matt Weir who continued the presentation. Public Works Senior Civil Engineer Zach Bosch also made a presentation and responded to questions from the City Council with additional comments and clarification from Mr. Rackovan.

After City Council discussion, the City Council directed staff to implement a policy to incorporate roundabouts as the preferred traffic control method when considering new traffic control projects.

### **Item taken out of order.**

14. Resolution No. 10961 – A Resolution Authorizing Staff to Submit Grant Applications to the Sacramento Area Council of Governments for the 2022-23 Funding Round

Public Works Director Mark Rackovan made a presentation and responded to questions from the City Council.

The City Council provided staff with their thoughts regarding the prioritization of ten potential grant applications to be submitted to SACOG for the current funding round. The highest three priorities were identified as roadway rehabilitation and repair, trail maintenance, and the Folsom Placerville Rail Trail. The City Council authorized staff to determine the priorities for the remaining seven applications.

**Motion by Councilmember Mike Kozlowski, second by Vice Mayor YK Chalamcherla, to approved Resolution No. 10961.**

**Motion carried with the following roll call vote:**

**AYES:** Councilmember(s): Aquino, Chalamcherla, Kozlowski, Rohrbough, Rodriguez  
**NOES:** Councilmember(s): None  
**ABSENT:** Councilmember(s): None  
**ABSTAIN:** Councilmember(s): None



**CITY MANAGER REPORTS:**

City Manager Elaine Andersen spoke of the recent storms and flooding and thanked City staff for their hard work. She shared that she appointed Environmental and Water Resources Director Marcus as the first Acting Assistant City Manager which is part of her succession planning and professional development program. She announced that the new session of the Police Citizen's Academy is starting up again.

**COUNCIL COMMENTS:**

Councilmember Anna Rohrbough commended Rita Hoffstadt and Jeff Ferreira-Pro for their work with the Folsom History Museum. She expressed her pleasure hearing from residents and encouraged anyone interested to contact her.

Councilmember Mike Kozlowski encouraged students to sign up now for spring sports at the high schools.

Councilmember Sarah Aquino requested support for two assembly bills. She asked that the meeting be adjourned in memory of resident Greg Bahry who recently passed away.

Vice Mayor YK Chalamcherla thanked everyone involved in supporting the City through the recent storms. He spoke of attending ceremonies for the recently elected Sacramento County Sheriff and Sacramento County District Attorney. He asked everyone to conserve water and make use of City programs and services. He concluded his comments by requesting that the City look into getting the railway in use for excursions.

Mayor Rosario Rodriguez thanked City Manager Elaine Andersen and City staff for their hard work during the storms and flooding and announced that the ice skating season is almost over.

**ADJOURNMENT**

There being no further business to come before the Folsom City Council, Mayor Rosario Rodriguez adjourned the meeting in memory of Greg Bahry at 9:29 pm.

SUBMITTED BY:

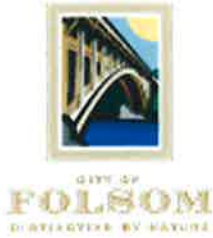
\_\_\_\_\_  
Christa Freemantle, City Clerk

ATTEST:

\_\_\_\_\_  
Rosario Rodriguez, Mayor

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to facilitate double-sided printing.*





# Folsom City Council Staff Report



<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Appointment of City Council Representatives to Regional Commissions
<b>FROM:</b>	City Clerk's Department

**RECOMMENDATION**

Staff requests that the City Council approve the proposed regional commission assignments.

**BACKGROUND / ISSUE**

In addition to their responsibilities on the City Council, the Mayor and Councilmembers also represent the City of Folsom on a variety of regional commissions. These commissions address important issues of regional interest, and Folsom City Council participation ensures that Folsom’s interests are addressed at the regional level.

**POLICY**

Each commission’s membership and appointing authority are established by their specific enabling documents.

**ATTACHMENT**

Proposed City Council Regional Representation Assignments

Respectfully submitted,

\_\_\_\_\_  
Christa Freemantle, CMC  
City Clerk

# Folsom City Council

## Proposed Regional Assignments 2023

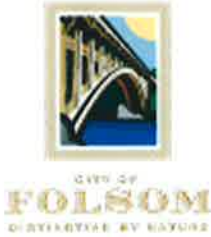
Regional Board	2023 Primary Representative	2023 Alternate Representative
2x2 – City of Folsom / FCUSD	<b>YK Chalamcherla Anna Rohrbough</b>	No Alternate
Association of CA Cities Allied with Public Safety	<b>Anna Rohrbough</b>	No Alternate
Capital Southeast Connector Joint Powers Authority	<b>Mike Kozlowski</b>	Sarah Aquino
Folsom Tourism and Economic Development Corporation (TEDCorp)	<b>Rosario Rodriguez</b>	Sarah Aquino
Folsom/El Dorado County JPA	<b>Sarah Aquino Anna Rohrbough</b>	n/a
Greater Sacramento Economic Council	<b>Rosario Rodriguez</b>	No Alternate
Local Agency Formation Commission (LAFCo)	n/a	n/a
Regional Transit District Board of Directors	<b>Mike Kozlowski</b>	YK Chalamcherla
Regional Water Authority	<b>YK Chalamcherla Rosario Rodriguez</b>	No Alternate
Retirement Board of Authority	<b>Anna Rohrbough</b>	No Alternate
SACOG (Sacramento Area Council of Governments)	<b>Mike Kozlowski</b>	Sarah Aquino
Sacramento Central Groundwater Authority	<b>Todd Eising</b>	Marcus Yasutake and YK Chalamcherla
Sacramento Groundwater Authority (SGA)	<b>Marcus Yasutake</b>	<b>Todd Eising YK Chalamcherla</b>
Sacramento Homeless Policy Council	<b>Rosario Rodriguez</b>	No Alternate

<b>Regional Board</b>	<b>2023 Primary Representative</b>	<b>2023 Alternate Representative</b>
Sacramento Metro Cable Commission Board of Directors	<b>YK Chalamcherla</b>	Anna Rohrbough
Sacramento Metropolitan Air Quality Management District	<b>Sarah Aquino</b>	Anna Rohrbough
Sacramento Regional County Sanitation District (Includes Sacramento Area Sewer District)	<b>Sarah Aquino</b>	Mike Kozlowski
Sacramento Transportation Authority (STA)	<b>Rosario Rodriguez</b>	Mike Kozlowski
Sacramento-Placerville Transportation Corridor JPA	<b>Sarah Aquino</b>	Anna Rohrbough

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CITY OF  
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# Folsom City Council Staff Report

<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Mayor’s Appointment and Confirmation by the City Council of Planning Commissioners to Serve on the Historic District Commission
<b>FROM:</b>	City Clerk's Department

### **RECOMMENDATION**

Staff is requesting that the Mayor, with the consent of the City Council, appoint Daniel West and Ralph Pena as the Planning Commission representatives to the Historic District Commission for the term ending in December 2024, as recommended by the Planning Commission.

### **BACKGROUND / ISSUE**

The terms of all at-large appointments to City of Folsom commissions and committees (except three of the at-large appointments to the Historic District Commission) expire in December of even numbered years. Two members of the Planning Commission are designated by ordinance to serve on the Historic District Commission. Historically the Planning Commission has voted to recommend members of the Planning Commission to serve on the Historic District Commission.

### **POLICY**

Folsom Municipal Code Section 17.52.020 establishes the Historic District Commission as a seven member commission appointed by the Mayor with the consent of the City Council. Specific seat requirements are set forth as:

- A. One representative who is actively involved with historic preservation;

- B. One representative who is a resident of the historic district;
- C. One representative who owns a business within the Sutter Street subarea;
- D. Two planning commissioners;
- E. One representative from a historic district business outside the Sutter Street subarea;
- F. One architect, landscape architect, or other design professional with expertise in historic preservation.

Folsom Municipal Code Section 17.52.040 provides that members of the Historic District Commission are appointed to serve two years.

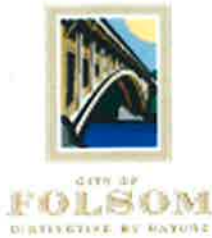
### **ANALYSIS**

At their January 18 meeting, the Planning Commission nominated Daniel West and Ralph Pena to serve on the Historic District Commission. Accordingly, staff is bringing forth these nominations for the City Council's approval.

Respectfully submitted,

Christa Freemantle, CMC  
City Clerk





# Folsom City Council Staff Report



<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10975 – A Resolution Rejecting Bids for the Purchase of Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP)
<b>FROM:</b>	Environmental and Water Resources Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

The Environmental and Water Resources Departments recommends that the City Council pass and adopt Resolution No. 10975 – A Resolution Rejecting Bids for the Purchase of Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP).

### **BACKGROUND / ISSUE**

The Environmental and Water Resources (EWR) Department identifies sewer infrastructure rehabilitation and replacement projects through sewer master plans and ongoing sewer condition assessment programs. As part of the City’s Sewer System Management Plan for its wastewater collection system, the EWR Department performs ongoing condition assessments on the wastewater system and corrects any defects/deficiencies identified through this process. Through these efforts, City staff identified the Folsom Boulevard 27-inch Trunk Sewer Project as needing improvements.

On January 10<sup>th</sup>, 2023 the City received two bids for the Purchase of Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP). Upon review of the bids by city staff and guidance from the City Attorney’s Office, both bids were deemed to be non-responsive. The special provisions of the bid package issued by the City required the bidder to provide and acknowledge a written warranty of the 21-inch gravity sewer pipe for a period of 2-years from the date of delivery as part of the bid package. The following deficiencies were identified in the bids:

- Ferguson Enterprises, LLC provided literature from the manufacturer with a 1-year warranty from the invoice date.
- ICONIX Waterworks did not provide or acknowledge any warranty as required in the Special Provisions.

**POLICY / RULE**

In accordance with Chapter 2.36.180 of the Folsom Municipal Code, where stated in the invitation for bid, the city council may cancel an invitation for bid, a request for proposal, or other solicitations, or may reject any or all bids or proposals when it is for good cause and in the best interests of the city (Ord. 723 §3 (part), 1991).

**ANALYSIS**

The City completed the Request for Bids for the 21-Inch Gravity Sewer Pipe and publicly advertised for bids in the December 29, 2022 edition of the Sacramento Bee. In addition, the City provided these documents to [www.ciplist.com](http://www.ciplist.com) which is picked up by several area builders’ exchanges. The documents were also posted to the City’s website. The EWR Department received the following bids on January 10, 2023 for the purchase of 21-Inch Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP)

Vendor	Quote
Ferguson Enterprises, LLC	\$439,660.00
ICONIX Waterworks	\$444,254.20

Upon review of the bids, staff with direction from the City Attorney’s Office determined that both bidders were non-responsive. Special Provision SP-2 of the Request for Bidders required the bidder to provide and acknowledge a written warranty for the 21-inch gravity sewer pipe for a period of 2-years from the date of delivery as part of the bid package:

- Ferguson Enterprises, LLC provided a warranty, however, it was for a period of 1-year from the invoice date.
- ICONIX Waterworks did not provide or acknowledge a written 2-year warranty from the date of delivery per the Special Provisions.

**FINANCIAL IMPACT**

The Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP) is included in the Capital Improvement Plan with a Fiscal Year 2022-23 project budget of \$7,471,945.

**ENVIRONMENTAL REVIEW**

The Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP) was designed to avoid direct and indirect impacts to the environment. Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15303 (d), the proposed project consists of construction and

installation of a sewer line of reasonable length to serve the needs of the City of Folsom. Pursuant to CEQA Guidelines Section 15301 (b), the project will accommodate current flow conditions and provide redundancy to the existing sewer system in the City of Folsom. Each segment of the proposed project will be designed and constructed to avoid environmentally sensitive areas. The project design will place the pipeline mainly within roadways and as far away as possible from environmentally sensitive areas. The proposed new pipeline will be located on the same site as the existing public utilities pipeline. The overall design of the project has no significant impacts to the environment and will be exempt from CEQA review.

### **ATTACHMENT**

Resolution No. 10975 – A Resolution Rejecting Bids for the Purchase of Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP)

Submitted,

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Marcus Yasutake, Director  
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

**RESOLUTION NO. 10975**

**A RESOLUTION REJECTING BIDS FOR THE PURCHASE OF GRAVITY SEWER PIPE FOR THE FOLSOM BOULEVARD 27-INCH TRUNK SEWER PROJECT (SECAP)**

**WHEREAS**, the provisions of the Folsom Municipal Code, Section 2.36.180 have been complied with; and

**WHEREAS**, staff met with the City Attorney’s Office and determined that all bids were Non-Responsive; and

**WHEREAS**, the Environmental & Water Resources Department published the Notice to Contractors for bidding of the Purchase of Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Sewer Project (SECAP) on December 29, 2022; and

**WHEREAS**, bids were opened on January 10<sup>th</sup>, 2023, both bids were non-responsive; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom rejects all bids as non-responsive for the Purchase of Gravity Sewer Pipe for the Folsom Boulevard 27-Inch Trunk Sewer Project (SECAP).

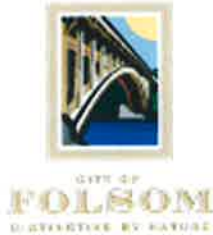
**PASSED AND ADOPTED** this 24<sup>th</sup> day of January 2023, by the following roll-call vote:

- AYES:** Councilmember(s):
- NOES:** Councilmember(s):
- ABSENT:** Councilmember(s):
- ABSTAIN:** Councilmember(s):

\_\_\_\_\_  
Rosario Rodriguez, MAYOR

ATTEST:

\_\_\_\_\_  
Christa Freemantle, CITY CLERK



# Folsom City Council Staff Report

<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10976- A Resolution Authorizing the City Manager to Execute a Contract Between the City of Folsom and the Sacramento Society for the Prevention of Cruelty to Animals (SSPCA)
<b>FROM:</b>	Police Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

Staff recommends that the City Council adopt Resolution 10976 – A Resolution Authorizing the City Manager to Execute a Contract Between the City of Folsom and the Sacramento Society for the Prevention of Cruelty to Animals (SSPCA).

### **BACKGROUND / ISSUE**

The SSPCA has been providing animal sheltering services to the City of Folsom since July 1, 2015. Staff desires to continue this successful contractual partnership and seeks approval to authorize the City Manager to execute the new agreement for the next two years, from January 1, 2023 through December 31, 2024.

### **POLICY / RULE**

In accordance with Chapter 2.36 of the Folsom Municipal Code, professional services costing \$66,141 or greater shall be contracted for by the City Council.

### **ANALYSIS**

The SSPCA is a non-profit organization dedicated to providing shelter for homeless, lost, or abused pets; low-cost spay and neuter services; and public education. The organization’s mission is to “foster a loving and compassionate community for animals and people by providing assistance, creating lifelong relationships, and saving lives.”

The City has successfully worked in partnership with the SSPCA for the City's animal sheltering needs since July 1, 2015 and desires to continue that contractual partnership.

Please note that the SSPCA contract is only for animal sheltering services. The City will continue to provide a full-time Animal Services Officer to serve the community. The Animal Services Officer will continue to enforce state and local laws and ordinances to protect both the animal and human customers, respond to animal issues in the field, and provide public education, among other duties.

### **FINANCIAL IMPACT**

The contract would be for a two-year term beginning January 1, 2023 through December 31, 2024. In year one of the contract (2023), CITY will pay SSPCA an amount not to exceed 75,591.00. In year two of the contract (2024), CITY will pay SSPCA an amount not to exceed \$84,662.

The City also agrees to pay SSPCA for each animal in excess of the yearly animal intake amounts (300) as established in Section 5.01 of the contract which is \$225.

This agreement is included in the Fiscal Year 2022-23 General Fund (Fund 010) Operating Budget in the Animal Services Division. There are sufficient funds budgeted and available in the FY 2022-23 Budget for the continuation of this contract.

### **ATTACHMENTS**

Resolution No. 10976 – A Resolution Authorizing the City Manager to Execute a Contract Between the City of Folsom and the Sacramento Society for the Prevention of Cruelty to Animals (SSPCA)

Submitted,

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Richard Hillman, Chief of Police

**RESOLUTION NO. 10976**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT BETWEEN THE CITY OF FOLSOM AND THE SACRAMENTO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS**

**WHEREAS**, the current agreement between the City of Folsom and the Sacramento Society for the Prevention of Cruelty to Animals (SSPCA) to provide animal sheltering services is expired as of December 31, 2022; and

**WHEREAS**, the SSPCA is a non-profit organization dedicated to providing shelter for homeless, lost, or abused pets; low-cost spay and neuter services; and public education; and

**WHEREAS**, staff desires to continue this successful contractual partnership and seeks approval to authorize the City Manager to execute the new agreement for the next two years, from January 1, 2023 through December 31, 2024; and

**WHEREAS**, funds are budgeted and available in the Fiscal Year 2022-23 General Fund (010) Operating Budget in the Animal Services Division and this agreement will be included during the budget process in future fiscal years; and

**WHEREAS**, the agreement will be in a form acceptable to the City Attorney;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager to execute a contract with the SSPCA for animal sheltering services for a two year term beginning January 1, 2023 through December 31, 2024, in a form approved by the City Attorney.

**PASSED AND ADOPTED** this 24<sup>th</sup> day of January 2023, by the following roll-call vote:

**AYES:** Councilmember(s):

**NOES:** Councilmember(s):

**ABSENT:** Councilmember(s):

**ABSTAIN:** Councilmember(s):

\_\_\_\_\_  
Rosario Rodriguez, MAYOR

ATTEST:

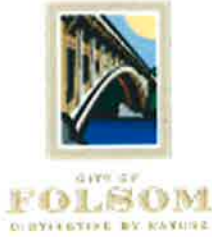
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Christa Freemantle, CITY CLERK

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# Folsom City Council Staff Report



<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10978 – A Resolution Authorizing the City Manager to Execute an Agreement with PlayCore Wisconsin, Inc., DBA GameTime, for the Ed Mitchell Park Shade Structure and Site Furnishings Project
<b>FROM:</b>	Parks and Recreation Department

### RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council approve Resolution No. 10978 – A Resolution Authorizing the City Manager to Execute an Agreement with PlayCore Wisconsin, Inc., DBA GameTime for the Ed Mitchell Park Shade Structure and Site Furnishings Project.

### BACKGROUND / ISSUE

On June 5, 2018, California voters approved Proposition 68: Parks and Water Bond Act administered by the California Department of Parks and Recreation. The Proposition 68 Per Capita Grant provides funding for local park rehabilitation, creation, and improvement. City staff worked with the Parks and Recreation Commission on identifying the appropriate park project that meets the Prop 68 criteria and funding amount. On October 6, 2020, the Parks and Recreation Commission voted to apply the \$271,098 grant funding allocation (including the \$45,183 match) to Ed Mitchell Park improvements. On February 9, 2021, the City Council approved Resolution No. 10586 – A Resolution Approving the Allocation of City Match Funding for Proposition 68 Per Capita Grant Program and Appropriation of Funds. The grant and the City match were appropriated to the Quimby Act Fund (Fund 240).

The projects completed at Ed Mitchell include tennis court resurfacing, tennis court LED light retrofit and installation of wind screens. The remaining project is the construction of a shade structure, including concrete paving and picnic tables.

Below is a summary of completed projects and the remaining shade structure/site furnishings project costs:

	Completed Projects	To be Completed	
Tennis Court Resurfacing	\$150,328.00		
Tennis Court LED Light Retrofit	\$ 21,981.00		
Tennis Court Windscreens	\$ 11,530.00		
Shade Structure		\$68,000.00	
Site Furnishings		\$15,000.00	
Sub-Totals	\$183,839.00	\$83,000.00	
<b>TOTAL</b>			<b>\$266,839.00</b>

Proposition 68 Per Capita Grant + 20% City of Folsom Match	\$271,098.00
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Staff is recommending that the City enter into a cooperative purchase agreement in the amount of \$83,000, with PlayCore Wisconsin, Inc., DBA GameTime using Omnia Partners to purchase and install a shade structure and site furnishings at Ed Mitchell Park. The City of Folsom is currently an Omnia Partners member and the City’s member identification number is 2509464.

**POLICY / RULE**

In accordance with Chapter 2.36 of the Folsom Municipal Code, Public Works projects costing \$66,141 or greater shall be competitively bid and contracted for by the City Council.

In accordance with Section 2.36.170 of the Folsom Municipal Code, the purchasing agent may participate in, sponsor or administer a cooperative purchasing agreement for the procurement of any supplies, equipment, service or construction with one or more public procurement units in accordance with an agreement entered into or between the participants. Such cooperative purchasing may include, but is not limited to, joint or multi party contracts between public procurement units and open-ended state public procurement unit contracts which are made available to the City.

**ANALYSIS**

On December 12, 2022, the Parks and Recreation Department received a quote from PlayCore Wisconsin, Inc., DBA GameTime for the Ed Mitchell Park project. The quote includes: one 16’ x 24’ shade shelter, two eight-foot picnic tables (one is ADA accessible), one trash receptacle, and a 685 square foot concrete pad. The scope of work includes the procurement and installation of the shade structure, site furnishings, and concrete pad at the existing playground, to the north of the existing restrooms at Ed Mitchell Park. Once completed, the project will provide a covered seating area adjacent to the existing playground. This seating

area will accommodate those watching children in the playground to the east, as well as provide seating and shelter to the sports fields to the west.

**FINANCIAL IMPACT**

The cost for the Ed Mitchell Park Shade Structure and Site Furnishings Project is included in the Quimby Act Fund (Fund 240) in the amount of \$271,952. Of the total project amount \$225,915 is grant funded and the City will receive reimbursement after the project is complete. The total cost, including procurement and installation of the shade structure, site furnishings, and concrete pad is \$83,000.

**ATTACHMENT**

1. Resolution No. 10978 - A Resolution Authorizing the City Manager to Execute an Agreement with PlayCore Wisconsin, Inc., DBA GameTime, for the Ed Mitchell Park Shade Structure and Site Furnishings Project.

Submitted,

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Lorraine Poggione,  
Parks & Recreation Director

**RESOLUTION NO. 10978**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH PLAYCORE WISCONSIN, INC., DBA GAMETIME, FOR THE ED MITCHELL PARK SHADE STRUCTURE AND SITE FURNISHINGS PROJECT**

**WHEREAS**, California voters approved Proposition 68: Parks and Water Bond Act on June 5, 2018, administered by the California Department of Parks and Recreation; and

**WHEREAS**, the Proposition 68 Per Capita Grant provides funding for local park rehabilitation, creation, and improvement; and

**WHEREAS**, the Parks and Recreation Commission approved a recommendation to allocate the grant funding to Ed Mitchell Park Project on October 6, 2020; and

**WHEREAS**, on February 9, 2021, the City Council approved Resolution No. 10586 – A Resolution Approving the Allocation of City Match Funding for Proposition 68 Per Capita Grant Program and Appropriation of Funds, which was appropriated to the Quimby Act Fund (Fund 240); and

**WHEREAS**, the cooperative purchase is through PlayCore Wisconsin, Inc., DBA GameTime, for the procurement and installation of a shade structure and site furnishings; and

**WHEREAS**, there is sufficient funding budgeted and available in the Quimby Act Fund (Fund 240) for this agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Folsom that the City Manager is authorized to execute a Professional Services Agreement with PlayCore Wisconsin, Inc., DBA GameTime, in a form acceptable to the City Attorney, for the procurement and installation of a shade structure and site furnishings at Ed Mitchell Park, for a total not-to-exceed amount of \$83,000.

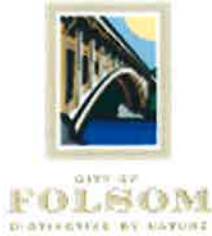
**PASSED AND ADOPTED** this 24<sup>th</sup> day of January 2023, by the following roll-call vote:

- AYES:** Councilmember(s):
- NOES:** Councilmember(s):
- ABSENT:** Councilmember(s):
- ABSTAIN:** Councilmember(s):

\_\_\_\_\_  
Rosario Rodriquez, MAYOR

ATTEST:

\_\_\_\_\_  
Christa Freemantle, CITY CLERK



# Folsom City Council Staff Report



<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10979 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Contract with RRM Design Group for Additional Landscape Architectural Services for the Johnny Cash Trail Art Experience – Cash’s Pick No. 1 Project
<b>FROM:</b>	Parks and Recreation Department

### RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council Approve Resolution No. 10979 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Contract with RRM Design Group for Additional Landscape Architectural Services for the Johnny Cash Trail Art Experience – Cash’s Pick No. 1 Project.

### BACKGROUND / ISSUE

On November 14, 2017, the City Council approved Resolution No. 10030 - A Resolution Authorizing the City Manager to Execute an Agreement with RRM Design Group for Landscape Design of the Johnny Cash Trail Art Experience – Cash’s Pick No.1 and No.2 Art Nodes, Accepting the Transient Occupancy Tax Grant Award from the County of Sacramento for the Johnny Cash Trail Art Experience, and Appropriation of Funds. As the design progressed, it became apparent that the location for Pick No. 1 needed to be moved as it was now located on property recently purchased by PG&E.. This move requires the redesign of the art node and its accompanying amenities and features. In addition, it was determined that Pick No. 2 would need to be removed from the current project, until funding for the construction of Pick No. 2, including art fabrication, was identified.

### POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, Public Works projects costing \$66,141 or greater shall be competitively bid and contracted for by the City Council.

**ANALYSIS**

The original contract with RRM Design Group for Landscape Design of the Johnny Cash Trail Art Experience – Cash’s Pick No.1 and No.2 Art Nodes was \$65,350. This contract amendment is in the amount of \$6,220. This brings the total contract amount with RRM Design Group to \$71,570.

**FINANCIAL IMPACT**

There is sufficient funding in Johnny Cash Trail/Art Grants Fund (Fund 414) for this amendment.

**ENVIRONMENTAL REVIEW**

On September 11, 2018, the City Council approved Resolution No. 10182 - A Resolution Approving a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program in Accordance with the California Environmental Quality Act, and Approving the Johnny Cash Trail Art Experience Master Plan

**ATTACHMENTS**

1. Resolution No. 10979 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Contract with RRM Design Group for Additional Landscape Architectural Services for the Johnny Cash Trail Art Experience – Cash’s Pick No. 1 Project

Submitted,

---

Lorraine Poggione,  
Parks & Recreation Director

**RESOLUTION NO. 10979**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT NO. 1 TO THE CONTRACT WITH RRM DESIGN GROUP FOR ADDITIONAL LANDSCAPE ARCHITECTURAL SERVICES FOR THE JOHNNY CASH TRAIL ART EXPERIENCE – CASH’S PICK NO. 1 PROJECT**

**WHEREAS**, On November 14, 2017, the City Council approved Resolution No. 10030 - A Resolution Authorizing the City Manager to Execute an Agreement with RRM Design Group for Landscape Design of the Johnny Cash Trail Art Experience – Cash’s Pick No.1 and No.2 Art Nodes, Accepting the Transient Occupancy Tax Grant Award from the County of Sacramento for the Johnny Cash Trail Art Experience, and Appropriation of Funds; and

**WHEREAS**, Pick No. 1 requires redesign to accommodate the relocation as well as updating of the construction documents to remove Pick No. 2 information; and

**WHEREAS**, the original contract with RRM Design Group for Landscape Design of the Johnny Cash Trail Art Experience – Cash’s Pick No.1 and No.2 Art Nodes was \$65,350, and the contract amendment is in the amount of \$6,220, which brings the total contract amount with RRM Design Group to \$71,570.; and

**WHEREAS**, there is sufficient funding available in the Johnny Cash Trail/Art Grants Fund (Fund 414) in the amount of \$6,220 to cover this amendment.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Folsom that the City Manager is authorized to Execute Amendment No. 1 to the Contract with RRM Design Group for Additional Landscape Architectural Services for the Johnny Cash Trail Art Experience – Cash’s Pick No.1 Project for a total not-to-exceed amount of \$71,570.

**PASSED AND ADOPTED** this 24<sup>th</sup> day of January 2023, by the following roll-call vote:

- AYES:** Councilmember(s):
- NOES:** Councilmember(s):
- ABSENT:** Councilmember(s):
- ABSTAIN:** Councilmember(s):

\_\_\_\_\_  
Rosario Rodriquez, MAYOR

ATTEST:

\_\_\_\_\_  
Christa Freemantle, CITY CLERK

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## Folsom City Council Staff Report

<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10980 - A Resolution Directing the Finance Director to Make a Transfer from the General Fund and Enterprise Funds to the Risk Management and Compensated Leaves Internal Service Funds to Replenish Reserve Balances Used During the COVID-19 Related Economic Downturn
<b>FROM:</b>	Finance Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

The Finance Director respectfully recommends that the City Council pass and adopt Resolution No. 10980 – A Resolution Directing the Finance Director to Make a Transfer from the General Fund and Enterprise Funds to the Risk Management and Compensated Leaves Internal Service Funds to Replenish Reserve Balances Used During the COVID-19 Related Economic Downturn.

### **BACKGROUND / ISSUE**

The Risk Management Internal Service Fund (Fund 606) and the Compensated Leaves Internal Service Fund (Fund 015) maintain reserves to smooth the effect of fluctuating insurance and benefit costs year to year. The Risk Management Internal Service Fund also maintains reserves as part of the City's self-insurance program.

At the December 13, 2022, City Council meeting, the Finance Director gave a FY 2022-23 First Quarter Financial Update. As part of the update, the FY 2021-22 year-end results for the General Fund were reported. The General Fund ended the fiscal year with a surplus, resulting in an Unassigned Fund Balance of \$23,260,485, or 23.69% as a percentage of expenditures. This surplus was, in part, due to the use of the internal service fund reserves to reduce costs in the General Fund for the past two fiscal years. The General Fund unassigned fund balance has

recovered from the COVID-19 related economic downturn and now exceeds the City Council's policy requiring a minimum of 15% as a percentage of expenditures be held in reserve.

Staff recommends that the City Council consider a transfer from the General Fund and the Water, Wastewater and Solid Waste Enterprise Funds to the Risk Management and Compensated Leaves internal service funds to replenish reserve balances used during the COVID-19 related economic downturn and ensure that the internal service funds have sufficient reserves moving forward.

### **POLICY / RULE**

Section 3.02.030 of the Folsom Municipal Code states, in part, that only the city council, by resolution, may transfer appropriations between funds and from unappropriated balances, contingency appropriations or accounts, or fund balances to any fund or appropriation account, or increase the total budget of any fund.

### **ANALYSIS**

#### **Risk Management Internal Service Fund**

The Risk Management Internal Service Fund exists to finance the cost of risk programs, including workers' compensation, health benefits for active employees and retirees, life, vision, dental, and other purchased insurance coverage, and various liability coverages. Every year, the total insurance costs for medical, dental, vision, liability, and workers' compensation insurance are projected, and a proportionate amount is transferred per employee from the General Fund or Enterprise Funds, depending on the employee, to the Risk Management Internal Service Fund to cover these annual expenses.

The Risk Management Internal Service Fund was implemented in 2010 and the City was able to commit to building a reserve in this fund to smooth the effect on the General Fund and the Enterprise Funds of fluctuating insurance costs year to year and to protect the General Fund from potential claims or litigation costs that may exceed our self-insurance coverage through the Northern California Cities Self Insurance Fund (NCCSIF) in which the City participates. If the costs for claims or litigation were to exceed our self-insurance coverage, the General Fund would be forced to cover the excess if reserves in the Risk Management Internal Service Fund were insufficient. At the inception of the fund, the goal of building the reserve to about six months of expenditures was deemed appropriate. At the fund's high-water mark in FY 2019-20, \$9 million was held in reserve, equating to six months of the fund's annual expenses.

As the City faced significant revenue losses during the COVID-19 economic downturn, it was recommended during the budget process that the City Council reduce the transfer amount from the General Fund and Enterprise Funds to the Risk Management Internal Service Fund for both FY 2020-21 and FY 2021-22 as a temporary cost savings measure. That resulted in expenses in the Risk Management Fund exceeding the revenues transferred in and the use of reserves was planned for both fiscal years. This use of reserves totaled \$3,288,471 over the two years,

and the fund ended FY 2021-22 with reserves of \$5.3 million, or only 3 months of annual expenses.

### Compensated Leaves Internal Service Fund

The Compensated Leaves Internal Service Fund operates similarly. The fund is used to account for payment of accrued vacation leave upon separation of employment. Again, it was recommended during the budget process that the City Council reduce the transfer amount per employee from the General Fund and the Enterprise Funds to the Compensated Leaves Internal Service Fund for both FY 2020-21 and FY 2021-22 as a temporary cost savings measure. That resulted in expenses in the Compensated Leaves Internal Service Fund exceeding the revenues transferred in and the use of reserves was planned for both fiscal years.

This use of reserves totaled \$1,139,286 over the two years, and the fund ended FY 2021-22 with a negative reserve balance of (\$211,550).

### FINANCIAL IMPACT

The total transfer to the Risk Management Internal Service Fund will be \$3,288,471, with \$2,893,855 from the General Fund and \$394,616 from the Enterprise Funds as noted in the chart below. The total transfer to the Compensated Leaves Internal Service Fund will be \$1,139,286 with \$1,002,571 from the General Fund and \$136,715 from the Enterprise Funds.

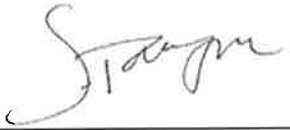
<u>Transfer out</u>	<u>Transfer In</u>		<u>% of Total Transfer</u>
	<u>Risk Mgmt</u>	<u>Comp Leaves</u>	
General Fund	\$ 2,893,855	\$ 1,002,571	88%
Water	180,866	62,661	6%
Wastewater	65,769	22,786	2%
Solid Waste	147,981	51,268	5%
	<u>\$ 3,288,471</u>	<u>\$ 1,139,286</u>	

These transfers will bring both internal service fund reserves back to their pre-COVID-19 levels and leave the General Fund with a projected unassigned fund balance of \$19.2 million or 19% as a percentage of expenditures. This transfer has minimal impact on the Enterprise Fund's reserves.

### ATTACHMENT

1. Resolution No. 10980 - A Resolution Directing the Finance Director to Make a Transfer from the General Fund and Enterprise Funds to the Risk Management and Compensated Leaves Internal Service Funds to Replenish Reserve Balances Used During the COVID-19 Related Economic Downturn

Submitted,



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Stacey Tamagni, Finance Director/CFO  
Office of Management and Budget

**RESOLUTION NO. 10980**

**A RESOLUTION DIRECTING THE FINANCE DIRECTOR TO MAKE A TRANSFER FROM THE GENERAL FUND AND ENTERPRISE FUNDS TO THE RISK MANAGEMENT AND COMPENSATED LEAVES INTERNAL SERVICE FUNDS TO REPLENISH RESERVE BALANCES USED DURING THE COVID-19 RELATED ECONOMIC DOWNTURN**

**WHEREAS**, the Risk Management Internal Service Fund and the Compensated Leaves Internal Service Fund maintain reserves to smooth the effect of fluctuating insurance and benefit costs year to year.; and

**WHEREAS**, the Risk Management Internal Service Fund also maintains reserves as part of the City's self-insurance program; and

**WHEREAS**, as the City faced significant revenue losses during the COVID-19 economic downturn, it was recommended that the City Council reduce the transfer amounts from the General Fund and the Enterprise Funds to the Risk Management and Compensated Leaves Internal Service Funds for both FY 2020-21 and FY 2021-22 as a temporary cost savings measure; and

**WHEREAS** this action resulted in the planned use of reserves in the internal service funds of \$4,427,757; and

**WHEREAS** the General Fund unassigned fund balance has recovered from the COVID-19 related economic downturn and now exceeds the City Council's 15% reserve policy; and

**WHEREAS**, staff recommends replenishing the reserve balances in the internal service funds to ensure sufficient reserves moving forward; and

**WHEREAS**, sufficient funds are available in the General Fund unassigned fund balance and the Water, Wastewater and Solid Waste Enterprise Funds:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom directs the Finance Director to replenish reserve balances used during the COVID-19 related economic downturn and make a transfer totaling \$3,896,426 from the General Fund (Fund 010) unassigned fund balance, \$243,527 from the Water Enterprise Fund (Fund 520), \$88,555 from the Wastewater Enterprise Fund (Fund 530) and \$199,249 from the Solid Waste Enterprise Fund (Fund 540) to the Risk Management Internal Service Fund (Fund 606) in the amount of \$3,288,471 and to the Compensated Leaves Internal Service Fund (Fund 015) in the amount of \$1,139,286.

**PASSED AND ADOPTED** this 24 day of January, 2023, by the following roll-call vote:

**AYES:** Councilmember(s):  
**NOES:** Councilmember(s):

**ABSENT:** Councilmember(s):  
**ABSTAIN:** Councilmember(s):

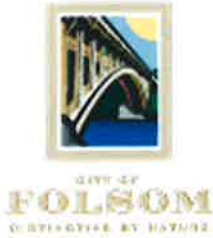
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Rosario Rodriguez, MAYOR

**ATTEST:**

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Christa Freemantle, CITY CLERK



# Folsom City Council Staff Report



<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Old Business
<b>SUBJECT:</b>	Consideration of Expenditure of Funds from the American Rescue Plan Act and Direction to Staff
<b>FROM:</b>	Finance Department

**RECOMMENDATION / CITY COUNCIL ACTION**

The Finance Director respectfully recommends that the City Council direct staff regarding the expenditure of \$507,700 of unappropriated American Rescue Plan Act (ARPA) funds.

**BACKGROUND / ISSUE**

The American Rescue Plan Act (ARPA) was signed into law on March 11, 2021. ARPA established the Coronavirus State and Local Fiscal Recovery Fund. The program is intended to ensure that governments have the resources needed to:

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts,
- Maintain vital public services, even amid declines in revenue, and
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

The City of Folsom’s total allocation from the ARPA Coronavirus State and Local Recovery Fund is \$8,375,645.

On August 24, 2021, the City Council directed staff to appropriate \$2,195,500 of the City’s total ARPA allocation to the General Fund under the allowable use category Provision of

Government Services. Expenditure of the appropriated funds commenced during the 2021-22 fiscal year.

In January 2022, the U.S. Department of the Treasury issued its final rule on the use of the Coronavirus State and Local Fiscal Recovery Funds. The final rule, which took effect on April 1, 2022, delivered broader flexibility and greater simplicity to the program.

Under the category “for provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency,” the final rule offers a standard allowance for revenue loss of up to \$10 million. Recipients that select the standard allowance may spend that amount – in many cases their full award – for government services through the period of performance, with streamlined reporting requirements.

To provide the most flexibility for use of the City’s ARPA allocation, on April 12, 2022, staff recommended, and the City Council approved, taking the standard allowance and appropriated the City’s entire ARPA allocation under the allowable use category of Provision of Government Services (Replacing Lost Revenue).

### **POLICY / RULE**

Per sections 602(c)(1) and 603(c)(1) of the ARPA, funds may be used:

- a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or to aid impacted industries such as tourism, travel, and hospitality.
- b) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.
- c) For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- d) To make necessary investments in water, sewer, or broadband infrastructure.

### **ANALYSIS**

Within the eligible use categories stated above and outlined in the Fiscal Recovery Funds provisions of ARPA, state, local, and tribal governments have the flexibility to determine how best to use payments from the Fiscal Recovery Funds to meet the needs of their communities and populations.

After taking the standard allowance and appropriating the City’s entire ARPA allocation under the allowable use category of Provision of Government Services (Replacing Lost Revenue), the City Council divided the City’s allocation into four internally determined expenditure



groups: City Facilities and Infrastructure, Economic Development, General Government Services, and Public Safety. The table below shows the City's total APRA allocation, the amount allocated to each expenditure group, and the remaining unappropriated amount.

City of Folsom's Total ARPA Allocation	<u>\$ 8,375,645</u>
Expenditure Group	
City Facilities and Infrastructure	4,389,000
Economic Development	1,265,000
General Government Services	788,568
Public Safety	<u>1,425,377</u>
Total Appropriated ARPA Allocation	<u>\$ 7,867,945</u>
Unappropriated ARPA Allocation	<u><u>\$ 507,700</u></u>

Staff is asking for direction at the January 24, 2023, meeting as to what expenditure group and on what items the City Council would like to spend the remaining \$507,700 that is currently unappropriated.

**FINANCIAL IMPACT**

As of January 24, 2023, the City has received the total \$8,375,645 allocation and the City Council has determined that the full amount will be spent for the Provision of Government Services. \$7,867,945 has been appropriated for certain expenditures within the General Fund and \$507,700 remains unappropriated. The total allocation must be obligated by December 31, 2024, and fully spent by December 31, 2026.

**ATTACHMENT**

1. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds: Overview of the Final Rule

Submitted,



\_\_\_\_\_  
Stacey Tamagni, Finance Director/CFO  
Office of Management and Budget



# **Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule**

U.S. DEPARTMENT OF THE TREASURY

January 2022



U.S. DEPARTMENT OF THE TREASURY

**The Overview of the Final Rule provides a summary of major provisions of the final rule for informational purposes and is intended as a brief, simplified user guide to the final rule provisions.**

The descriptions provided in this document summarize key provisions of the final rule but are non-exhaustive, do not describe all terms and conditions associated with the use of SLFRF, and do not describe all requirements that may apply to this funding. Any SLFRF funds received are also subject to the terms and conditions of the agreement entered into by Treasury and the respective jurisdiction, which incorporate the provisions of the final rule and the guidance that implements this program.



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## Introduction

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan, delivers \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The program ensures that governments have the resources needed to:

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts,
- Maintain vital public services, even amid declines in revenue, and
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

### EARLY PROGRAM IMPLEMENTATION

In May 2021, Treasury published the Interim final rule (IFR) describing eligible and ineligible uses of funds (as well as other program provisions), sought feedback from the public on these program rules, and began to distribute funds. The IFR went immediately into effect in May, and since then, governments have used SLFRF funds to meet their immediate pandemic response needs and begin building a strong and equitable recovery, such as through providing vaccine incentives, development of affordable housing, and construction of infrastructure to deliver safe and reliable water.

As governments began to deploy this funding in their communities, Treasury carefully considered the feedback provided through its public comment process and other forums. Treasury received over 1,500 comments, participated in hundreds of meetings, and received correspondence from a wide range of governments and other stakeholders.

### KEY CHANGES AND CLARIFICATIONS IN THE FINAL RULE

The final rule delivers broader flexibility and greater simplicity in the program, responsive to feedback in the comment process. Among other clarifications and changes, the final rule provides the features below.

#### Replacing Lost Public Sector Revenue

The final rule offers a standard allowance for revenue loss of up to \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation. Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.

#### Public Health and Economic Impacts

In addition to programs and services, the final rule clarifies that recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response. For example, recipients may build certain affordable housing, childcare facilities, schools, hospitals, and other projects consistent with final rule requirements.



## U.S. DEPARTMENT OF THE TREASURY

In addition, the final rule provides an expanded set of households and communities that are presumed to be “impacted” and “disproportionately impacted” by the pandemic, thereby allowing recipients to provide responses to a broad set of households and entities without requiring additional analysis. Further, the final rule provides a broader set of uses available for these communities as part of COVID-19 public health and economic response, including making affordable housing, childcare, early learning, and services to address learning loss during the pandemic eligible in all impacted communities and making certain community development and neighborhood revitalization activities eligible for disproportionately impacted communities.

Further, the final rule allows for a broader set of uses to restore and support government employment, including hiring above a recipient’s pre-pandemic baseline, providing funds to employees that experienced pay cuts or furloughs, avoiding layoffs, and providing retention incentives.

### **Premium Pay**

The final rule delivers more streamlined options to provide premium pay, by broadening the share of eligible workers who can receive premium pay without a written justification while maintaining a focus on lower-income and frontline workers performing essential work.

### **Water, Sewer & Broadband Infrastructure**

The final rule significantly broadens eligible broadband infrastructure investments to address challenges with broadband access, affordability, and reliability, and adds additional eligible water and sewer infrastructure investments, including a broader range of lead remediation and stormwater management projects.

### **FINAL RULE EFFECTIVE DATE**

The final rule takes effect on April 1, 2022. Until that time, the interim final rule remains in effect; funds used consistently with the IFR while it is in effect are in compliance with the SLFRF program.

However, recipients can choose to take advantage of the final rule’s flexibilities and simplifications now, even ahead of the effective date. Treasury will not take action to enforce the interim final rule to the extent that a use of funds is consistent with the terms of the final rule, regardless of when the SLFRF funds were used. Recipients may consult the *Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule*, which can be found on Treasury’s website, for more information on compliance with the interim final rule and the final rule.



## Overview of the Program

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program provides substantial flexibility for each jurisdiction to meet local needs within the four separate eligible use categories. This Overview of the Final Rule addresses the four eligible use categories ordered from the broadest and most flexible to the most specific.

Recipients may use SLFRF funds to:

- **Replace lost public sector revenue**, using this funding to provide government services up to the amount of revenue loss due to the pandemic.
  - Recipients may determine their revenue loss by choosing between two options:
    - A standard allowance of up to \$10 million in aggregate, not to exceed their award amount, during the program;
    - Calculating their jurisdiction's specific revenue loss each year using Treasury's formula, which compares actual revenue to a counterfactual trend.
  - Recipients may use funds up to the amount of revenue loss for government services; generally, services traditionally provided by recipient governments are government services, unless Treasury has stated otherwise.
- **Support the COVID-19 public health and economic response** by addressing COVID-19 and its impact on public health as well as addressing economic harms to households, small businesses, nonprofits, impacted industries, and the public sector.
  - Recipients can use funds for programs, services, or capital expenditures that respond to the public health and negative economic impacts of the pandemic.
  - To provide simple and clear eligible uses of funds, Treasury provides a list of enumerated uses that recipients can provide to households, populations, or classes (i.e., groups) that experienced pandemic impacts.
  - Public health eligible uses include COVID-19 mitigation and prevention, medical expenses, behavioral healthcare, and preventing and responding to violence.
  - Eligible uses to respond to negative economic impacts are organized by the type of beneficiary: assistance to households, small businesses, and nonprofits.
    - Each category includes assistance for "impacted" and "disproportionately impacted" classes: impacted classes experienced the general, broad-based impacts of the pandemic, while disproportionately impacted classes faced meaningfully more severe impacts, often due to preexisting disparities.
    - To simplify administration, the final rule presumes that some populations and groups were impacted or disproportionately impacted and are eligible for responsive services.

*Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule*



## U.S. DEPARTMENT OF THE TREASURY

- Eligible uses for assistance to impacted households include aid for re-employment, job training, food, rent, mortgages, utilities, affordable housing development, childcare, early education, addressing learning loss, and many more uses.
- Eligible uses for assistance to impacted small businesses or nonprofits include loans or grants to mitigate financial hardship, technical assistance for small businesses, and many more uses.
- Recipients can also provide assistance to impacted industries like travel, tourism, and hospitality that faced substantial pandemic impacts, or address impacts to the public sector, for example by re-hiring public sector workers cut during the crisis.
- Recipients providing funds for enumerated uses to populations and groups that Treasury has presumed eligible are clearly operating consistently with the final rule. Recipients can also identify (1) other populations or groups, beyond those presumed eligible, that experienced pandemic impacts or disproportionate impacts and (2) other programs, services, or capital expenditures, beyond those enumerated, to respond to those impacts.
- **Provide premium pay for eligible workers performing essential work**, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.
  - Recipients may provide premium pay to eligible workers – generally those working in-person in key economic sectors – who are below a wage threshold or non-exempt from the Fair Labor Standards Act overtime provisions, or if the recipient submits justification that the premium pay is responsive to workers performing essential work.
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet.
  - Recipients may fund a broad range of water and sewer projects, including those eligible under the EPA’s Clean Water State Revolving Fund, EPA’s Drinking Water State Revolving Fund, and certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units.
  - Recipients may fund high-speed broadband infrastructure in areas of need that the recipient identifies, such as areas without access to adequate speeds, affordable options, or where connections are inconsistent or unreliable; completed projects must participate in a low-income subsidy program.

While recipients have considerable flexibility to use funds to address the diverse needs of their communities, some restrictions on use apply across all eligible use categories. These include:

- **For states and territories:** No offsets of a reduction in net tax revenue resulting from a change in state or territory law.

*Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule*





## U.S. DEPARTMENT OF THE TREASURY

- **For all recipients except for Tribal governments:** No extraordinary contributions to a pension fund for the purpose of reducing an accrued, unfunded liability.
- **For all recipients:** No payments for debt service and replenishments of rainy day funds; no satisfaction of settlements and judgments; no uses that contravene or violate the American Rescue Plan Act, Uniform Guidance conflicts of interest requirements, and other federal, state, and local laws and regulations.

Under the SLFRF program, funds must be used for costs incurred on or after March 3, 2021. Further, funds must be obligated by December 31, 2024, and expended by December 31, 2026. This time period, during which recipients can expend SLFRF funds, is the “period of performance.”

In addition to SLFRF, the American Rescue Plan includes other sources of funding for state and local governments, including the [Coronavirus Capital Projects Fund](#) to fund critical capital investments including broadband infrastructure; the [Homeowner Assistance Fund](#) to provide relief for our country’s most vulnerable homeowners; the [Emergency Rental Assistance Program](#) to assist households that are unable to pay rent or utilities; and the [State Small Business Credit Initiative](#) to fund small business credit expansion initiatives. Eligible recipients are encouraged to visit the Treasury website for more information.



## Replacing Lost Public Sector Revenue

The Coronavirus State and Local Fiscal Recovery Funds provide needed fiscal relief for recipients that have experienced revenue loss due to the onset of the COVID-19 public health emergency. Specifically, SLFRF funding may be used to pay for “government services” in an amount equal to the revenue loss experienced by the recipient due to the COVID-19 public health emergency.

Government services generally include any service traditionally provided by a government, including construction of roads and other infrastructure, provision of public safety and other services, and health and educational services. Funds spent under government services are subject to streamlined reporting and compliance requirements.

In order to use funds under government services, recipients should first determine revenue loss. They may, then, spend up to that amount on general government services.

### DETERMINING REVENUE LOSS

Recipients have two options for how to determine their amount of revenue loss. Recipients must choose one of the two options and cannot switch between these approaches after an election is made.

**1. Recipients may elect a “standard allowance” of \$10 million to spend on government services through the period of performance.**

Under this option, which is newly offered in the final rule Treasury presumes that up to \$10 million in revenue has been lost due to the public health emergency and recipients are permitted to use that amount (not to exceed the award amount) to fund “government services.” The standard allowance provides an estimate of revenue loss that is based on an extensive analysis of average revenue loss across states and localities, and offers a simple, convenient way to determine revenue loss, particularly for SLFRF’s smallest recipients.

All recipients may elect to use this standard allowance instead of calculating lost revenue using the formula below, including those with total allocations of \$10 million or less. Electing the standard allowance does not increase or decrease a recipient’s total allocation.

**2. Recipients may calculate their actual revenue loss according to the formula articulated in the final rule.**

Under this option, recipients calculate revenue loss at four distinct points in time, either at the end of each calendar year (e.g., December 31 for years 2020, 2021, 2022, and 2023) or the end of each fiscal year of the recipient. Under the flexibility provided in the final rule, recipients can choose whether to use calendar or fiscal year dates but must be consistent throughout the period of performance. Treasury has also provided several adjustments to the definition of general revenue in the final rule.

To calculate revenue loss at each of these dates, recipients must follow a four-step process:



## U.S. DEPARTMENT OF THE TREASURY

- a. Calculate revenues collected in the most recent full fiscal year prior to the public health emergency (i.e., last full fiscal year before January 27, 2020), called the *base year revenue*.
- b. Estimate *counterfactual revenue*, which is equal to the following formula, where  $n$  is the number of months elapsed since the end of the base year to the calculation date:

$$\text{base year revenue} \times (1 + \text{growth adjustment})^{\frac{n}{12}}$$

The *growth adjustment* is the greater of either a standard growth rate—5.2 percent—or the recipient’s average annual revenue growth in the last full three fiscal years prior to the COVID-19 public health emergency.

- c. Identify *actual revenue*, which equals revenues collected over the twelve months immediately preceding the calculation date.

Under the final rule, recipients must adjust actual revenue totals for the effect of tax cuts and tax increases that are adopted after the date of adoption of the final rule (January 6, 2022). Specifically, the estimated fiscal impact of tax cuts and tax increases adopted after January 6, 2022, must be added or subtracted to the calculation of actual revenue for purposes of calculation dates that occur on or after April 1, 2022.

Recipients may subtract from their calculation of actual revenue the effect of tax increases enacted prior to the adoption of the final rule. Note that recipients that elect to remove the effect of tax increases enacted before the adoption of the final rule must also remove the effect of tax decreases enacted before the adoption of the final rule, such that they are accurately removing the effect of tax policy changes on revenue.

- d. Revenue loss for the calculation date is equal to *counterfactual revenue* minus *actual revenue* (adjusted for tax changes) for the twelve-month period. If actual revenue exceeds counterfactual revenue, the loss is set to zero for that twelve-month period. Revenue loss for the period of performance is the sum of the revenue loss on for each calculation date.

The supplementary information in the final rule provides an example of this calculation, which recipients may find helpful, in the Revenue Loss section.



U.S. DEPARTMENT OF THE TREASURY

**SPENDING ON GOVERNMENT SERVICES**

Recipients can use SLFRF funds on government services up to the revenue loss amount, whether that be the standard allowance amount or the amount calculated using the above approach. **Government services generally include *any service traditionally provided by a government***, unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:

- ✓ Construction of schools and hospitals
- ✓ Road building and maintenance, and other infrastructure
- ✓ Health services
- ✓ General government administration, staff, and administrative facilities
- ✓ Environmental remediation
- ✓ Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles)

Government services is the most flexible eligible use category under the SLFRF program, and funds are subject to streamlined reporting and compliance requirements. Recipients should be mindful that certain restrictions, which are detailed further in the Restrictions on Use section and apply to all uses of funds, apply to government services as well.



## Responding to Public Health and Economic Impacts of COVID-19

The Coronavirus State and Local Fiscal Recovery Funds provide resources for governments to meet the public health and economic needs of those impacted by the pandemic in their communities, as well as address longstanding health and economic disparities, which amplified the impact of the pandemic in disproportionately impacted communities, resulting in more severe pandemic impacts.

The eligible use category to respond to public health and negative economic impacts is organized around the types of assistance a recipient may provide and includes several sub-categories:

- public health,
- assistance to households,
- assistance to small businesses,
- assistance to nonprofits,
- aid to impacted industries, and
- public sector capacity.

In general, to identify eligible uses of funds in this category, recipients should (1) identify a COVID-19 public health or economic impact on an individual or class (i.e., a group) and (2) design a program that responds to that impact. Responses should be related and reasonably proportional to the harm identified and reasonably designed to benefit those impacted.

To provide simple, clear eligible uses of funds that meet this standard, Treasury provides a non-exhaustive list of enumerated uses that respond to pandemic impacts. Treasury also presumes that some populations experienced pandemic impacts and are eligible for responsive services. In other words, recipients providing enumerated uses of funds to populations presumed eligible are clearly operating consistently with the final rule.<sup>1</sup>

Recipients also have broad flexibility to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

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<sup>1</sup> However, please note that use of funds for enumerated uses may not be grossly disproportionate to the harm. Further, recipients should consult the Capital Expenditures section for more information about pursuing a capital expenditure; please note that enumerated capital expenditures are not presumed to be reasonably proportional responses to an identified harm except as provided in the Capital Expenditures section.

*Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule*



Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
<b>Analysis</b>	<ul style="list-style-type: none"> <li>Can identify impact to a specific household, business or nonprofit or to a class of households, businesses, or nonprofits (i.e., group)</li> <li>Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class</li> </ul>	<ul style="list-style-type: none"> <li>Types of responses can include a program, service, or capital expenditure</li> <li>Response should be related and reasonably proportional to the harm</li> <li>Response should also be reasonably designed to benefit impacted individual or class</li> </ul>
<b>Simplifying Presumptions</b>	<ul style="list-style-type: none"> <li>Final Rule presumes certain populations and classes are impacted and disproportionately impacted</li> </ul>	<ul style="list-style-type: none"> <li>Final Rule provides non-exhaustive list of enumerated eligible uses that respond to pandemic impacts and disproportionate impacts</li> </ul>

To assess eligibility of uses of funds, recipients should first determine the sub-category where their use of funds may fit (e.g., public health, assistance to households, assistance to small businesses), based on the entity that experienced the health or economic impact.<sup>2</sup> Then, recipients should refer to the relevant section for more details on each sub-category.

While the same overall eligibility standard applies to all uses of funds to respond to the public health and negative economic impacts of the pandemic, each sub-category has specific nuances on its application. In addition:

- Recipients interested in using funds for capital expenditures (i.e., investments in property, facilities, or equipment) should review the Capital Expenditures section in addition to the eligible use sub-category.
- Recipients interested in other uses of funds, beyond the enumerated uses, should refer to the section on “Framework for Eligible Uses Beyond Those Enumerated.”

<sup>2</sup> For example, a recipient interested in providing aid to unemployed individuals is addressing a negative economic impact experienced by a household and should refer to the section on assistance to households. Recipients should also be aware of the difference between “beneficiaries” and “sub-recipients.” Beneficiaries are households, small businesses, or nonprofits that can receive assistance based on impacts of the pandemic that they experienced. On the other hand, sub-recipients are organizations that carry out eligible uses on behalf of a government, often through grants or contracts. Sub-recipients do not need to have experienced a negative economic impact of the pandemic; rather, they are providing services to beneficiaries that experienced an impact.

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## RESPONDING TO THE PUBLIC HEALTH EMERGENCY

While the country has made tremendous progress in the fight against COVID-19, including a historic vaccination campaign, the disease still poses a grave threat to Americans' health and the economy. Providing state, local, and Tribal governments the resources needed to fight the COVID-19 pandemic is a core goal of the Coronavirus State and Local Fiscal Recovery Funds, as well as addressing the other ways that the pandemic has impacted public health. Treasury has identified several public health impacts of the pandemic and enumerated uses of funds to respond to impacted populations.

- **COVID-19 mitigation and prevention.** The pandemic has broadly impacted Americans and recipients can provide services to prevent and mitigate COVID-19 to the general public or to small businesses, nonprofits, and impacted industries in general. Enumerated eligible uses include:
  - ✓ Vaccination programs, including vaccine incentives and vaccine sites
  - ✓ Testing programs, equipment and sites
  - ✓ Monitoring, contact tracing & public health surveillance (e.g., monitoring for variants)
  - ✓ Public communication efforts
  - ✓ Public health data systems
  - ✓ COVID-19 prevention and treatment equipment, such as ventilators and ambulances
  - ✓ Medical and PPE/protective supplies
  - ✓ Support for isolation or quarantine
  - ✓ Ventilation system installation and improvement
  - ✓ Technical assistance on mitigation of COVID-19 threats to public health and safety
  - ✓ Transportation to reach vaccination or testing sites, or other prevention and mitigation services for vulnerable populations
  - ✓ Support for prevention, mitigation, or other services in congregate living facilities, public facilities, and schools
  - ✓ Support for prevention and mitigation strategies in small businesses, nonprofits, and impacted industries
  - ✓ Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., ICUs, emergency rooms)
  - ✓ Temporary medical facilities and other measures to increase COVID-19 treatment capacity
  - ✓ Emergency operations centers & emergency response equipment (e.g., emergency response radio systems)
  - ✓ Public telemedicine capabilities for COVID-19 related treatment



- **Medical expenses.** Funds may be used for expenses to households, medical providers, or others that incurred medical costs due to the pandemic, including:
  - ✓ Unreimbursed expenses for medical care for COVID-19 testing or treatment, such as uncompensated care costs for medical providers or out-of-pocket costs for individuals
  - ✓ Paid family and medical leave for public employees to enable compliance with COVID-19 public health precautions
  - ✓ Emergency medical response expenses
  - ✓ Treatment of long-term symptoms or effects of COVID-19
  
- **Behavioral health care, such as mental health treatment, substance use treatment, and other behavioral health services.** Treasury recognizes that the pandemic has broadly impacted Americans' behavioral health and recipients can provide these services to the general public to respond. Enumerated eligible uses include:
  - ✓ Prevention, outpatient treatment, inpatient treatment, crisis care, diversion programs, outreach to individuals not yet engaged in treatment, harm reduction & long-term recovery support
  - ✓ Enhanced behavioral health services in schools
  - ✓ Services for pregnant women or infants born with neonatal abstinence syndrome
  - ✓ Support for equitable access to reduce disparities in access to high-quality treatment
  - ✓ Peer support groups, costs for residence in supportive housing or recovery housing, and the 988 National Suicide Prevention Lifeline or other hotline services
  - ✓ Expansion of access to evidence-based services for opioid use disorder prevention, treatment, harm reduction, and recovery
  - ✓ Behavioral health facilities & equipment
  
- **Preventing and responding to violence.** Recognizing that violence – and especially gun violence – has increased in some communities due to the pandemic, recipients may use funds to respond in these communities through:
  - ✓ Referrals to trauma recovery services for victims of crime
  - ✓ Community violence intervention programs, including:
    - Evidence-based practices like focused deterrence, with wraparound services such as behavioral therapy, trauma recovery, job training, education, housing and relocation services, and financial assistance
  - ✓ In communities experiencing increased gun violence due to the pandemic:
    - Law enforcement officers focused on advancing community policing
    - Enforcement efforts to reduce gun violence, including prosecution
    - Technology & equipment to support law enforcement response

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## RESPONDING TO NEGATIVE ECONOMIC IMPACTS

The pandemic caused severe economic damage and, while the economy is on track to a strong recovery, much work remains to continue building a robust, resilient, and equitable economy in the wake of the crisis and to ensure that the benefits of this recovery reach all Americans. While the pandemic impacted millions of American households and businesses, some of its most severe impacts fell on low-income and underserved communities, where pre-existing disparities amplified the impact of the pandemic and where the most work remains to reach a full recovery.

The final rule recognizes that the pandemic caused broad-based impacts that affected many communities, households, and small businesses across the country; for example, many workers faced unemployment and many small businesses saw declines in revenue. The final rule describes these as “impacted” households, communities, small businesses, and nonprofits.

At the same time, the pandemic caused disproportionate impacts, or more severe impacts, in certain communities. For example, low-income and underserved communities have faced more severe health and economic outcomes like higher rates of COVID-19 mortality and unemployment, often because pre-existing disparities exacerbated the impact of the pandemic. The final rule describes these as “disproportionately impacted” households, communities, small businesses, and nonprofits.

To simplify administration of the program, the final rule presumes that certain populations were “impacted” and “disproportionately impacted” by the pandemic; these populations are presumed to be eligible for services that respond to the impact they experienced. The final rule also enumerates a non-exhaustive list of eligible uses that are recognized as responsive to the impacts or disproportionate impacts of COVID-19. Recipients providing enumerated uses to populations presumed eligible are clearly operating consistently with the final rule.

As discussed further in the section Framework for Eligible Uses Beyond Those Enumerated, recipients can also identify other pandemic impacts, impacted or disproportionately impacted populations or classes, and responses.

However, note that the final rule maintains that general infrastructure projects, including roads, streets, and surface transportation infrastructure, would generally not be eligible under this eligible use category, unless the project responded to a specific pandemic public health need or a specific negative economic impact. Similarly, general economic development or workforce development – activities that do not respond to negative economic impacts of the pandemic but rather seek to more generally enhance the jurisdiction’s business climate – would generally not be eligible under this eligible use category.



## Assistance to Households

### *Impacted Households and Communities*

Treasury presumes the following households and communities are impacted by the pandemic:

- ✓ Low- or-moderate income households or communities
- ✓ Households that experienced unemployment
- ✓ Households that experienced increased food or housing insecurity
- ✓ Households that qualify for the Children's Health Insurance Program, Childcare Subsidies through the Child Care Development Fund (CCDF) Program, or Medicaid
- ✓ *When providing affordable housing programs:* households that qualify for the National Housing Trust Fund and Home Investment Partnerships Program
- ✓ *When providing services to address lost instructional time in K-12 schools:* any student that lost access to in-person instruction for a significant period of time

Low- or moderate-income households and communities are those with (i) income at or below 300 percent of the Federal Poverty Guidelines for the size of the household based on the most recently published poverty guidelines or (ii) income at or below 65 percent of the area median income for the county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines are higher than the area's median income and using the Federal Poverty Guidelines would result in more households and communities being presumed eligible. Treasury has provided an easy-to-use spreadsheet with Federal Poverty Guidelines and area median income levels on its website.

Recipients can measure income for a specific household or the median income for the community, depending on whether the response they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a general community.

The income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$65,880 per year.<sup>3</sup> In other words, recipients can always presume that a household earning below this level, or a community with median income below this level, is impacted by the pandemic and eligible for services to respond. Additionally, by following the steps detailed in the section Framework for Eligible Uses Beyond Those Enumerated, recipients may designate additional households as impacted or disproportionately impacted beyond these presumptions, and may also pursue projects not listed below in response to these impacts consistent with Treasury's standards.

<sup>3</sup> For recipients in Alaska, the income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$82,350 per year. For recipients in Hawaii, the income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$75,780 per year.



Treasury recognizes the enumerated projects below, which have been expanded under the final rule, as eligible to respond to impacts of the pandemic on households and communities:

- ✓ Food assistance (e.g., child nutrition programs, including school meals) & food banks
- ✓ Emergency housing assistance: rental assistance, mortgage assistance, utility assistance, assistance paying delinquent property taxes, counseling and legal aid to prevent eviction and homelessness & emergency programs or services for homeless individuals, including temporary residences for people experiencing homelessness
- ✓ Health insurance coverage expansion
- ✓ Benefits for surviving family members of individuals who have died from COVID-19
- ✓ Assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, incentives for newly-employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses & development of job and workforce training centers
- ✓ Financial services for the unbanked and underbanked
- ✓ Burials, home repair & home weatherization
- ✓ Programs, devices & equipment for internet access and digital literacy, including subsidies for costs of access
- ✓ Cash assistance
- ✓ Paid sick, medical, and family leave programs
- ✓ Assistance in accessing and applying for public benefits or services
- ✓ Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- ✓ Assistance to address the impact of learning loss for K-12 students (e.g., high-quality tutoring, differentiated instruction)
- ✓ Programs or services to support long-term housing security: including development of affordable housing and permanent supportive housing
- ✓ Certain contributions to an Unemployment Insurance Trust Fund<sup>4</sup>

<sup>4</sup> Recipients may only use SLFRF funds for contributions to unemployment insurance trust funds and repayment of the principal amount due on advances received under Title XII of the Social Security Act up to an amount equal to (i) the difference between the balance in the recipient's unemployment insurance trust fund as of January 27, 2020 and the balance of such account as of May 17, 2021, plus (ii) the principal amount outstanding as of May 17, 2021 on any advances received under Title XII of the Social Security Act between January 27, 2020 and May 17, 2021. Further, recipients may use SLFRF funds for the payment of any interest due on such Title XII advances. Additionally, a recipient that deposits SLFRF funds into its unemployment insurance trust fund to fully restore the pre-pandemic balance may not draw down that balance and deposit more SLFRF funds, back up to the pre-pandemic balance. Recipients that deposit SLFRF funds into an unemployment insurance trust fund, or use SLFRF funds to repay principal on Title XII advances, may not take action to reduce benefits available to unemployed workers by changing the computation method governing regular unemployment compensation in a way that results in a reduction of average weekly benefit amounts or the number of weeks of benefits payable (i.e., maximum benefit entitlement).

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### ***Disproportionately Impacted Households and Communities***

Treasury presumes the following households and communities are disproportionately impacted by the pandemic:

- ✓ Low -income households and communities
- ✓ Households receiving services provided by Tribal governments
- ✓ Households residing in Qualified Census Tracts
- ✓ Households residing in the U.S. territories or receiving services from these governments
- ✓ Households that qualify for certain federal benefits<sup>5</sup>

Low-income households and communities are those with (i) income at or below 185 percent of the Federal Poverty Guidelines for the size of its household based on the most recently published poverty guidelines or (ii) income at or below 40 percent of area median income for its county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines level is higher than the area median income level and using this level would result in more households and communities being presumed eligible. Treasury has provided an easy-to-use spreadsheet with Federal Poverty Guidelines and area median income levels on its website.

Recipients can measure income for a specific household or the median income for the community, depending on whether the service they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a general community.

The income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$40,626 per year.<sup>6</sup> In other words, recipients can always presume that a household earning below this level, or a community with median income below this level, is disproportionately impacted by the pandemic and eligible for services to respond.

<sup>5</sup> These programs are Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Free- and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) programs, Medicare Part D Low-Income Subsidies, Supplemental Security Income (SSI), Head Start and/or Early Head Start, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Section 8 Vouchers, Low-Income Home Energy Assistance Program (LIHEAP), and Pell Grants. For services to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school as eligible.

<sup>6</sup> For recipients in Alaska, the income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$50,783 per year. For recipients in Hawaii, the income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$46,731 per year



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Treasury recognizes the enumerated projects below, which have been expanded under the final rule, as eligible to respond to disproportionate impacts of the pandemic on households and communities:

- ✓ Pay for community health workers to help households access health & social services
- ✓ Remediation of lead paint or other lead hazards
- ✓ Primary care clinics, hospitals, integration of health services into other settings, and other investments in medical equipment & facilities designed to address health disparities
- ✓ Housing vouchers & assistance relocating to neighborhoods with higher economic opportunity
- ✓ Investments in neighborhoods to promote improved health outcomes
- ✓ Improvements to vacant and abandoned properties, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing<sup>7</sup>
- ✓ Services to address educational disparities, including assistance to high-poverty school districts & educational and evidence-based services to address student academic, social, emotional, and mental health needs
- ✓ Schools and other educational equipment & facilities
- ✓ Responses available to respond to impacts of the pandemic on households and communities (including those listed on page 18)

<sup>7</sup> Please see the final rule for further details and conditions applicable to this eligible use. This includes Treasury's presumption that demolition of vacant or abandoned residential properties that results in a net reduction in occupiable housing units for low- and moderate-income individuals in an area where the availability of such housing is lower than the need for such housing is ineligible for support with SLFRF funds.

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### Assistance to Small Businesses

Small businesses have faced widespread challenges due to the pandemic, including periods of shutdown, declines in revenue, or increased costs. The final rule provides many tools for recipients to respond to the impacts of the pandemic on small businesses, or disproportionate impacts on businesses where pre-existing disparities like lack of access to capital compounded the pandemic's effects.

Small businesses eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "small business," specifically:

1. Have no more than 500 employees, or if applicable, the size standard in number of employees [established](#) by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and
2. Are a small business concern as defined in section 3 of the Small Business Act<sup>8</sup> (which includes, among other requirements, that the business is independently owned and operated and is not dominant in its field of operation).

### Impacted Small Businesses

Recipients can identify small businesses impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- |                                       |  |
|---------------------------------------|--|
| ✓ Decreased revenue or gross receipts | ✓ Capacity to weather financial hardship                                   |
| ✓ Financial insecurity                | ✓ Challenges covering payroll, rent or mortgage, and other operating costs |
| ✓ Increased costs                     |  |

Assistance to small businesses that experienced negative economic impacts includes the following enumerated uses:

- |   |  |
|---|--|
| ✓ Loans or grants to mitigate financial hardship, such as by supporting payroll and benefits, costs to retain employees, and mortgage, rent, utility, and other operating costs | ✓ Technical assistance, counseling, or other services to support business planning |
|---|--|

### Disproportionately Impacted Small Businesses

Treasury presumes that the following small businesses are disproportionately impacted by the pandemic:

<sup>8</sup> 15 U.S.C. 632.



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- ✓ Small businesses operating in Qualified Census Tracts
- ✓ Small businesses operating in the U.S. territories
- ✓ Small businesses operated by Tribal governments or on Tribal lands

Assistance to disproportionately impacted small businesses includes the following enumerated uses, which have been expanded under the final rule:

- ✓ Rehabilitation of commercial properties, storefront improvements & façade improvements
- ✓ Support for microbusinesses, including financial, childcare, and transportation costs
- ✓ Technical assistance, business incubators & grants for start-up or expansion costs for small businesses



### **Assistance to Nonprofits**

Nonprofits have faced significant challenges due to the pandemic's increased demand for services and changing operational needs, as well as declines in revenue sources such as donations and fees.

Nonprofits eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "nonprofit"—specifically those that are 501(c)(3) or 501(c)(19) tax-exempt organizations.

#### ***Impacted Nonprofits***

Recipients can identify nonprofits impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- ✓ Decreased revenue (e.g., from donations and fees)
- ✓ Financial insecurity
- ✓ Increased costs (e.g., uncompensated increases in service need)
- ✓ Capacity to weather financial hardship
- ✓ Challenges covering payroll, rent or mortgage, and other operating costs

Assistance to nonprofits that experienced negative economic impacts includes the following enumerated uses:

- ✓ Loans or grants to mitigate financial hardship
- ✓ Technical or in-kind assistance or other services that mitigate negative economic impacts of the pandemic

#### ***Disproportionately Impacted Nonprofits***

Treasury presumes that the following nonprofits are disproportionately impacted by the pandemic:

- ✓ Nonprofits operating in Qualified Census Tracts
- ✓ Nonprofits operated by Tribal governments or on Tribal lands
- ✓ Nonprofits operating in the U.S. territories

Recipients may identify appropriate responses that are related and reasonably proportional to addressing these disproportionate impacts.





### Aid to Impacted Industries

Recipients may use SLFRF funding to provide aid to industries impacted by the COVID-19 pandemic. Recipients should first designate an impacted industry and then provide aid to address the impacted industry's negative economic impact.

This sub-category of eligible uses does not separately identify disproportionate impacts and corresponding responsive services.

1. **Designating an impacted industry.** There are two main ways an industry can be designated as "impacted."
  1. If the industry is in the travel, tourism, or hospitality sectors (including Tribal development districts), the industry is impacted.
  2. If the industry is outside the travel, tourism, or hospitality sectors, the industry is impacted if:
    - a. The industry experienced at least 8 percent employment loss from pre-pandemic levels,<sup>9</sup> or
    - b. The industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, based on the totality of economic indicators or qualitative data (if quantitative data is unavailable), and if the impacts were generally due to the COVID-19 public health emergency.

Recipients have flexibility to define industries broadly or narrowly, but Treasury encourages recipients to define narrow and discrete industries eligible for aid. State and territory recipients also have flexibility to define the industries with greater geographic precision; for example, a state may identify a particular industry in a certain region of a state as impacted.

2. **Providing eligible aid to the impacted industry.** Aid may only be provided to support businesses, attractions, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic. Further, aid should be generally broadly available to all businesses within the impacted industry to avoid potential conflicts of interest, and Treasury encourages aid to be first used for operational expenses, such as payroll, before being used on other types of costs.

<sup>9</sup> Specifically, a recipient should compare the percent change in the number of employees of the recipient's identified industry and the national Leisure & Hospitality sector in the three months before the pandemic's most severe impacts began (a straight three-month average of seasonally-adjusted employment data from December 2019, January 2020, and February 2020) with the latest data as of the final rule (a straight three-month average of seasonally-adjusted employment data from September 2021, October 2021, and November 2021). For parity and simplicity, smaller recipients without employment data that measure industries in their specific jurisdiction may use data available for a broader unit of government for this calculation (e.g., a county may use data from the state in which it is located; a city may use data for the county, if available, or state in which it is located) solely for purposes of determining whether a particular industry is an impacted industry.

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Treasury recognizes the enumerated projects below as eligible responses to impacted industries.

- ✓ Aid to mitigate financial hardship, such as supporting payroll costs, lost pay and benefits for returning employees, support of operations and maintenance of existing equipment and facilities
- ✓ Technical assistance, counseling, or other services to support business planning
- ✓ COVID-19 mitigation and infection prevention measures (see section Public Health)

As with all eligible uses, recipients may pursue a project not listed above by undergoing the steps outlined in the section Framework for Eligible Uses Beyond Those Enumerated.



## PUBLIC SECTOR CAPACITY

Recipients may use SLFRF funding to restore and bolster public sector capacity, which supports government's ability to deliver critical COVID-19 services. There are three main categories of eligible uses to bolster public sector capacity and workforce: Public Safety, Public Health, and Human Services Staff; Government Employment and Rehiring Public Sector Staff; and Effective Service Delivery.

### Public Safety, Public Health, and Human Services Staff

SLFRF funding may be used for payroll and covered benefits for public safety, public health, health care, human services and similar employees of a recipient government, for the portion of the employee's time spent responding to COVID-19. Recipients should follow the steps below.

#### 1. Identify eligible public safety, public health, and human services staff. Public safety staff include:

- ✓ Police officers (including state police officers)
- ✓ Sheriffs and deputy sheriffs
- ✓ Firefighters
- ✓ Emergency medical responders
- ✓ Correctional and detention officers
- ✓ Dispatchers and supervisor personnel that directly support public safety staff

#### Public health staff include:

- ✓ Employees involved in providing medical and other physical or mental health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions
- ✓ Laboratory technicians, medical examiners, morgue staff, and other support services essential for patient care
- ✓ Employees of public health departments directly engaged in public health matters and related supervisory personnel

#### Human services staff include:

- ✓ Employees providing or administering social services and public benefits
- ✓ Child welfare services employees
- ✓ Child, elder, or family care employees

#### 2. Assess portion of time spent on COVID-19 response for eligible staff.

Recipients can use a variety of methods to assess the share of an employees' time spent responding to COVID-19, including using reasonable estimates—such as estimating the share of time based on discussions with staff and applying that share to all employees in that position.

For administrative convenience, recipients can consider public health and safety employees entirely devoted to responding to COVID-19 (and their payroll and benefits fully covered by SLFRF) if the



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employee, or his or her operating unit or division, is “primarily dedicated” to responding to COVID-19. Primarily dedicated means that more than half of the employee, unit, or division’s time is dedicated to responding to COVID-19.

Recipients must periodically reassess their determination and maintain records to support their assessment, although recipients do not need to track staff hours.

3. **Use SLFRF funding for payroll and covered benefits for the portion of eligible staff time spent on COVID-19 response.** SLFRF funding may be used for payroll and covered benefits for the portion of the employees’ time spent on COVID-19 response, as calculated above, through the period of performance.

### Government Employment and Rehiring Public Sector Staff

Under the increased flexibility of the final rule, SLFRF funding may be used to support a broader set of uses to restore and support public sector employment. Eligible uses include hiring up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, and paying for ancillary administrative costs related to hiring, support, and retention.

- **Restoring pre-pandemic employment.** Recipients have two options to restore pre-pandemic employment, depending on the recipient’s needs.
  - *If the recipient simply wants to hire back employees for pre-pandemic positions:* Recipients may use SLFRF funds to hire employees for the same positions that existed on January 27, 2020 but that were unfilled or eliminated as of March 3, 2021. Recipients may use SLFRF funds to cover payroll and covered benefits for such positions through the period of performance.
  - *If the recipient wants to hire above the pre-pandemic baseline and/or would like to have flexibility in positions:* Recipients may use SLFRF funds to pay for payroll and covered benefits associated with the recipient increasing its number of budgeted FTEs up to 7.5 percent above its pre-pandemic baseline. Specifically, recipients should undergo the following steps:
    - a. Identify the recipient’s budgeted FTE level on January 27, 2020. This includes all budgeted positions, filled and unfilled. This is called the *pre-pandemic baseline*.
    - b. Multiply the pre-pandemic baseline by 1.075. This is called the *adjusted pre-pandemic baseline*.
    - c. Identify the recipient’s budgeted FTE level on March 3, 2021, which is the beginning of the period of performance for SLFRF funds. Recipients may, but are not required to, exclude the number of FTEs dedicated to responding to the COVID-19 public health emergency. This is called the *actual number of FTEs*.
    - d. Subtract the *actual number of FTEs* from the *adjusted pre-pandemic baseline* to calculate the number of FTEs that can be covered by SLFRF funds. Recipients do not have to hire for the same roles that existed pre-pandemic.

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Recipients may use SLFRF funds to cover payroll and covered benefits through the period of performance; these employees must have begun their employment on or after March 3, 2021. Recipients may only use SLFRF funds for additional FTEs hired over the March 3, 2021 level (i.e., the *actual number of FTEs*).

- **Supporting and retaining public sector workers.** Recipients can also use funds in other ways that support the public sector workforce.<sup>10</sup> These include:
  - **Providing additional funding for employees who experienced pay reductions or were furloughed** since the onset of the pandemic, up to the difference in the employee's pay, taking into account unemployment benefits received.
  - **Maintaining current compensation levels to prevent layoffs.** SLFRF funds may be used to maintain current compensation levels, with adjustments for inflation, in order to prevent layoffs that would otherwise be necessary.
  - **Providing worker retention incentives, including reasonable increases in compensation** to persuade employees to remain with the employer as compared to other employment options. Retention incentives must be entirely additive to an employee's regular compensation, narrowly tailored to need, and should not exceed incentives traditionally offered by the recipient or compensation that alternative employers may offer to compete for the employees. Treasury presumes that retention incentives that are less than 25 percent of the rate of base pay for an individual employee or 10 percent for a group or category of employees are reasonably proportional to the need to retain employees, as long as other requirements are met.
- **Covering administrative costs associated with administering the hiring, support, and retention programs above.**

### Effective Service Delivery

SLFRF funding may be used to improve the efficacy of public health and economic programs through tools like program evaluation, data, and outreach, as well as to address administrative needs caused or exacerbated by the pandemic. Eligible uses include:

- **Supporting program evaluation, data, and outreach through:**

<sup>10</sup> Recipients should be able to substantiate that these uses of funds are substantially due to the public health emergency or its negative economic impacts (e.g., fiscal pressures on state and local budgets) and respond to its impacts. See the final rule for details on these uses.

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- ✓ Program evaluation and evidence resources
  - ✓ Data analysis resources to gather, assess, share, and use data
  - ✓ Technology infrastructure to improve access to and the user experience of government IT systems, as well as technology improvements to increase public access and delivery of government programs and services
- ✓ Community outreach and engagement activities
  - ✓ Capacity building resources to support using data and evidence, including hiring staff, consultants, or technical assistance support
- **Addressing administrative needs, including:**
    - ✓ Administrative costs for programs responding to the public health emergency and its economic impacts, including non-SLFRF and non-federally funded programs
    - ✓ Address administrative needs caused or exacerbated by the pandemic, including addressing backlogs caused by shutdowns, increased repair or maintenance needs, and technology infrastructure to adapt government operations to the pandemic (e.g., video-conferencing software, data and case management systems)



## CAPITAL EXPENDITURES

As described above, the final rule clarifies that recipients may use funds for programs, services, and capital expenditures that respond to the public health and negative economic impacts of the pandemic. Any use of funds in this category for a capital expenditure must comply with the capital expenditure requirements, in addition to other standards for uses of funds.

Capital expenditures are subject to the same eligibility standard as other eligible uses to respond to the pandemic's public health and economic impacts; specifically, they must be related and reasonably proportional to the pandemic impact identified and reasonably designed to benefit the impacted population or class.

For ease of administration, the final rule identifies enumerated types of capital expenditures that Treasury has identified as responding to the pandemic's impacts; these are listed in the applicable sub-category of eligible uses (e.g., public health, assistance to households, etc.). Recipients may also identify other responsive capital expenditures. Similar to other eligible uses in the SLFRF program, no pre-approval is required for capital expenditures.

To guide recipients' analysis of whether a capital expenditure meets the eligibility standard, recipients (with the exception of Tribal governments) must complete and meet the requirements of a written justification for capital expenditures equal to or greater than \$1 million. For large-scale capital expenditures, which have high costs and may require an extended length of time to complete, as well as most capital expenditures for non-enumerated uses of funds, Treasury requires recipients to submit their written justification as part of regular reporting. Specifically:

<b>If a project has total capital expenditures of</b>	<b>and the use is enumerated by Treasury as eligible, then</b>	<b>and the use is beyond those enumerated by Treasury as eligible, then</b>
Less than \$1 million	No Written Justification required	No Written Justification required
Greater than or equal to \$1 million, but less than \$10 million	Written Justification required but recipients are not required to submit as part of regular reporting to Treasury	Written Justification required and recipients must submit as part of regular reporting to Treasury
\$10 million or more	Written Justification required and recipients must submit as part of regular reporting to Treasury	

A Written Justification includes:

- *Description of the harm or need to be addressed.* Recipients should provide a description of the specific harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.

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- *Explanation of why a capital expenditure is appropriate.* For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate.
- *Comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior.* Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Where relevant, recipients should consider the alternatives of improving existing capital assets already owned or leasing other capital assets.

Treasury presumes that the following capital projects are generally ineligible:

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>✘ Construction of new correctional facilities as a response to an increase in rate of crime</li> <li>✘ Construction of new congregate facilities to decrease spread of COVID-19 in the facility</li> </ul> | <ul style="list-style-type: none"> <li>✘ Construction of convention centers, stadiums, or other large capital projects intended for general economic development or to aid impacted industries</li> </ul> |
|---|---|

In undertaking capital expenditures, Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.





## FRAMEWORK FOR ELIGIBLE USES BEYOND THOSE ENUMERATED

As described above, recipients have broad flexibility to identify and respond to other pandemic impacts and serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients should undergo the following steps to decide whether their project is eligible:

Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
Analysis	<ul style="list-style-type: none"> <li>Can identify impact to a specific household, business or nonprofit or to a class of households, businesses or nonprofits (i.e., group)</li> <li>Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class</li> </ul>	<ul style="list-style-type: none"> <li>Types of responses can include a program, service, or capital expenditure</li> <li>Response should be related and reasonably proportional to the harm</li> <li>Response should also be reasonably designed to benefit impacted individual or class</li> </ul>

### 1. Identify a COVID-19 public health or negative economic impact on an individual or a class.

Recipients should identify an individual or class that is “impacted” or “disproportionately impacted” by the COVID-19 public health emergency or its negative economic impacts as well as the specific impact itself.

- “Impacted” entities are those impacted by the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency. For example, an individual who lost their job or a small business that saw lower revenue during a period of closure would both have experienced impacts of the pandemic.
- “Disproportionately impacted” entities are those that experienced disproportionate public health or economic outcomes from the pandemic; Treasury recognizes that pre-existing disparities, in many cases, amplified the impacts of the pandemic, causing more severe impacts in underserved communities. For example, a household living in a neighborhood with limited access to medical care and healthy foods may have faced health disparities before the pandemic, like a higher rate of chronic health conditions, that contributed to more severe health outcomes during the COVID-19 pandemic.

The recipient may choose to identify these impacts at either the individual level or at a class level. If the recipient is identifying impacts at the individual level, they should retain documentation supporting the impact the individual experienced (e.g., documentation of lost revenues from a small business). Such documentation can be streamlined in many cases (e.g., self-attestation that a household requires food assistance).

Recipients also have broad flexibility to identify a “class” – or a group of households, small businesses, or nonprofits – that experienced an impact. In these cases, the recipients should



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first identify the class and the impact that it faced. Then, recipients only need to document that the individuals served fall within that class; recipients do not need to document a specific impact to each individual served. For example, a recipient could identify that restaurants in the downtown area faced substantial declines in revenue due to decreased foot traffic from workers; the recipient could develop a program to respond to the impact on that class and only needs to document that the businesses being served are restaurants in the downtown area.

Recipients should keep the following considerations in mind when designating a class:

- **There should be a relationship between the definition of the class and the proposed response.** Larger and less-specific classes are less likely to have experienced similar harms, which may make it more difficult to design a response that appropriately responds to those harms.
  - **Classes may be determined on a population basis or on a geographic basis,** and the response should be appropriately matched. For example, a response might be designed to provide childcare to single parents, regardless of which neighborhood they live in, or a response might provide a park to improve the health of a disproportionately impacted neighborhood.
  - **Recipients may designate classes that experienced disproportionate impact,** by assessing the impacts of the pandemic and finding that some populations experienced meaningfully more severe impacts than the general public. To determine these disproportionate impacts, recipients:
    - May designate classes based on academic research or government research publications (such as the citations provided in the supplementary information in the final rule), through analysis of their own data, or through analysis of other existing data sources.
    - May also consider qualitative research and sources to augment their analysis, or when quantitative data is not readily available. Such sources might include resident interviews or feedback from relevant state and local agencies, such as public health departments or social services departments.
    - Should consider the quality of the research, data, and applicability of analysis to their determination in all cases.
  - **Some of the enumerated uses may also be appropriate responses to the impacts experienced by other classes of beneficiaries.** It is permissible for recipients to provide these services to other classes, so long as the recipient determines that the response is also appropriate for those groups.
  - **Recipients may designate a class based on income level, including at levels higher than the final rule definition of "low- and moderate-income."** For example, a recipient may identify that households in their community with incomes above the final rule threshold for low-income nevertheless experienced disproportionate impacts from the pandemic and provide responsive services.
- 2. Design a response that addresses or responds to the impact.** Programs, services, and other interventions must be reasonably designed to benefit the individual or class that experienced

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the impact. They must also be related and reasonably proportional to the extent and type of impact experienced. For example, uses that bear no relation or are grossly disproportionate to the type or extent of the impact would not be eligible.

“Reasonably proportional” refers to the scale of the response compared to the scale of the harm, as well as the targeting of the response to beneficiaries compared to the amount of harm they experienced; for example, it may not be reasonably proportional for a cash assistance program to provide a very small amount of aid to a group that experienced severe harm and a much larger amount to a group that experienced relatively little harm. Recipients should consider relevant factors about the harm identified and the response to evaluate whether the response is reasonably proportional. For example, recipients may consider the size of the population impacted and the severity, type, and duration of the impact. Recipients may also consider the efficacy, cost, cost-effectiveness, and time to delivery of the response.

For disproportionately impacted communities, recipients may design interventions that address broader pre-existing disparities that contributed to more severe health and economic outcomes during the pandemic, such as disproportionate gaps in access to health care or pre-existing disparities in educational outcomes that have been exacerbated by the pandemic.



## Premium Pay

The Coronavirus State and Local Fiscal Recovery Funds may be used to provide premium pay to eligible workers performing essential work during the pandemic. Premium pay may be awarded to eligible workers up to \$13 per hour. Premium pay must be in addition to wages or remuneration (i.e., compensation) the eligible worker otherwise receives. Premium pay may not exceed \$25,000 for any single worker during the program.

Recipients should undergo the following steps to provide premium pay to eligible workers.

- 1. Identify an “eligible” worker.** Eligible workers include workers “needed to maintain continuity of operations of essential critical infrastructure sectors.” These sectors and occupations are eligible:

- |  |   |
|--|---|
| ✓ Health care  | ✓ State, local, or Tribal government workforce  |
| ✓ Emergency response   | ✓ Workers providing vital services to Tribes  |
| ✓ Sanitation, disinfection & cleaning  | ✓ Educational, school nutrition, and other work required to operate a school facility           |
| ✓ Maintenance  | ✓ Laundry   |
| ✓ Grocery stores, restaurants, food production, and food delivery                      | ✓ Elections   |
| ✓ Pharmacy   | ✓ Solid waste or hazardous materials management, response, and cleanup                          |
| ✓ Biomedical research  | ✓ Work requiring physical interaction with patients   |
| ✓ Behavioral health  | ✓ Dental care   |
| ✓ Medical testing and diagnostics  | ✓ Transportation and warehousing  |
| ✓ Home and community-based health care or assistance with activities of daily living   | ✓ Hotel and commercial lodging facilities that are used for COVID-19 mitigation and containment |
| ✓ Family or child care   |   |
| ✓ Social services  |   |
| ✓ Public health  |   |
| ✓ Mortuary   |   |
| ✓ Critical clinical research, development, and testing necessary for COVID-19 response |   |

Beyond this list, the chief executive (or equivalent) of a recipient government may designate additional non-public sectors as critical so long as doing so is necessary to protecting the health and wellbeing of the residents of such jurisdictions.

- 2. Verify that the eligible worker performs “essential work,”** meaning work that:
  - Is not performed while teleworking from a residence; and
  - Involves either:
    - a. regular, in-person interactions with patients, the public, or coworkers of the individual that is performing the work; or
    - b. regular physical handling of items that were handled by, or are to be handled by, patients, the public, or coworkers of the individual that is performing the work.



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**3. Confirm that the premium pay “responds to” workers performing essential work during the COVID-19 public health emergency.** Under the final rule, which broadened the share of eligible workers who can receive premium pay without a written justification, recipients may meet this requirement in one of three ways:

- Eligible worker receiving premium pay is earning (with the premium included) at or below 150 percent of their residing state or county’s average annual wage for all occupations, as defined by the Bureau of Labor Statistics’ [Occupational Employment and Wage Statistics](#), whichever is higher, on an annual basis; or
- Eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions; or
- If a worker does not meet either of the above requirements, the recipient must submit written justification to Treasury detailing how the premium pay is otherwise responsive to workers performing essential work during the public health emergency. This may include a description of the essential worker’s duties, health, or financial risks faced due to COVID-19, and why the recipient determined that the premium pay was responsive. Treasury anticipates that recipients will easily be able to satisfy the justification requirement for front-line workers, like nurses and hospital staff.

Premium pay may be awarded in installments or lump sums (e.g., monthly, quarterly, etc.) and may be awarded to hourly, part-time, or salaried or non-hourly workers. Premium pay must be paid in addition to wages already received and may be paid retrospectively. A recipient may not use SLFRF to merely reimburse itself for premium pay or hazard pay already received by the worker, and premium pay may not be paid to volunteers.



## Water & Sewer Infrastructure

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in water and sewer infrastructure. State, local, and Tribal governments have a tremendous need to address the consequences of deferred maintenance in drinking water systems and removal, management, and treatment of sewage and stormwater, along with additional resiliency measures needed to adapt to climate change.

Recipients may undertake the eligible projects below:

### PROJECTS ELIGIBLE UNDER EPA'S CLEAN WATER STATE REVOLVING FUND (CWSRF)

Eligible projects under the CWSRF, and the final rule, include:

- ✓ Construction of publicly owned treatment works
- ✓ Projects pursuant to implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA)
- ✓ Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
- ✓ Management and treatment of stormwater or subsurface drainage water
- ✓ Water conservation, efficiency, or reuse measures
- ✓ Development and implementation of a conservation and management plan under the CWA
- ✓ Watershed projects meeting the criteria set forth in the CWA
- ✓ Energy consumption reduction for publicly owned treatment works
- ✓ Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- ✓ Security of publicly owned treatment works

Treasury encourages recipients to review the EPA handbook for the [CWSRF](#) for a full list of eligibilities.

### PROJECTS ELIGIBLE UNDER EPA'S DRINKING WATER STATE REVOLVING FUND (DWSRF)

Eligible drinking water projects under the DWSRF, and the final rule, include:

- ✓ Facilities to improve drinking water quality
- ✓ Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements
- ✓ New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage
- ✓ Green infrastructure, including green roofs, rainwater harvesting collection, permeable pavement
- ✓ Storage of drinking water, such as to prevent contaminants or equalize water demands
- ✓ Purchase of water systems and interconnection of systems
- ✓ New community water systems

Treasury encourages recipients to review the EPA handbook for the [DWSRF](#) for a full list of eligibilities.

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## ADDITIONAL ELIGIBLE PROJECTS

With broadened eligibility under the final rule, SLFRF funds may be used to fund additional types of projects— such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be “necessary” according to the definition provided in the final rule and outlined below.

- ✓ Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure
- ✓ Infrastructure to improve access to safe drinking water for individual served by residential wells, including testing initiatives, and treatment/remediation strategies that address contamination
- ✓ Dam and reservoir rehabilitation if primary purpose of dam or reservoir is for drinking water supply and project is necessary for provision of drinking water
- ✓ Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act, such as lead testing, installation of corrosion control treatment, lead service line replacement, as well as water quality testing, compliance monitoring, and remediation activities, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities

A “necessary” investment in infrastructure must be:

- (1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise,
- (2) a cost-effective means for meeting that need, taking into account available alternatives, and
- (3) for investments in infrastructure that supply drinking water in order to meet projected population growth, projected to be sustainable over its estimated useful life.

Please note that DWSRF and CWSRF-eligible projects are generally presumed to be necessary investments. Additional eligible projects generally must be responsive to an identified need to achieve or maintain an adequate minimum level of service. Recipients are only required to assess cost-effectiveness of projects for the creation of new drinking water systems, dam and reservoir rehabilitation projects, or projects for the extension of drinking water service to meet population growth needs. Recipients should review the supplementary information to the final rule for more details on requirements applicable to each type of investment.

## APPLICABLE STANDARDS & REQUIREMENTS

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.

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## Broadband Infrastructure

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in broadband infrastructure, which has been shown to be critical for work, education, healthcare, and civic participation during the public health emergency. The final rule broadens the set of eligible broadband infrastructure investments that recipients may undertake.

Recipients may pursue investments in broadband infrastructure meeting technical standards detailed below, as well as an expanded set of cybersecurity investments.

### BROADBAND INFRASTRUCTURE INVESTMENTS

Recipients should adhere to the following requirements when designing a broadband infrastructure project:

1. **Identify an eligible area for investment.** Recipients are encouraged to prioritize projects that are designed to serve locations without access to reliable wireline 100/20 Mbps broadband service (meaning service that reliably provides 100 Mbps download speed and 20 Mbps upload speed through a wireline connection), but are broadly able to invest in projects designed to provide service to locations with an identified need for additional broadband investment. Recipients have broad flexibility to define need in their community. Examples of need could include:
  - ✓ Lack of access to a reliable high-speed broadband connection
  - ✓ Lack of affordable broadband
  - ✓ Lack of reliable service

If recipients are considering deploying broadband to locations where there are existing and enforceable federal or state funding commitments for reliable service of at least 100/20 Mbps, recipients must ensure that SLFRF funds are designed to address an identified need for additional broadband investment that is not met by existing federal or state funding commitments. Recipients must also ensure that SLFRF funds will not be used for costs that will be reimbursed by the other federal or state funding streams.

2. **Design project to meet high-speed technical standards.** Recipients are required to design projects to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds. In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the project, eligible projects may be designed to reliably meet or exceed 100/20 Mbps and be scalable to a minimum of symmetrical 100 Mbps download and upload speeds.

Treasury encourages recipients to prioritize investments in fiber-optic infrastructure wherever feasible and to focus on projects that will achieve last-mile connections. Further, Treasury encourages recipients to prioritize support for broadband networks owned, operated by, or affiliated with local governments, nonprofits, and co-operatives.





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3. **Require enrollment in a low-income subsidy program.** Recipients must require the service provider for a broadband project that provides service to households to either:
- ✓ Participate in the FCC's Affordable Connectivity Program (ACP)
  - ✓ Provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP

Treasury encourages broadband services to also include at least one low-cost option offered without data usage caps at speeds sufficient for a household with multiple users to simultaneously telework and engage in remote learning. Recipients are also encouraged to consult with the community on affordability needs.

### **CYBERSECURITY INVESTMENTS**

SLFRF may be used for modernization of cybersecurity for existing and new broadband infrastructure, regardless of their speed delivery standards. This includes modernization of hardware and software.

### **APPLICABLE STANDARDS & REQUIREMENTS**

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.



## Restrictions on Use

While recipients have considerable flexibility to use Coronavirus State and Local Fiscal Recovery Funds to address the diverse needs of their communities, some restrictions on use of funds apply.

### OFFSET A REDUCTION IN NET TAX REVENUE

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent.** If a state or territory cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than SLFRF, such as by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the Treasury.

### DEPOSITS INTO PENSION FUNDS

- **No recipients except Tribal governments may use this funding to make a deposit to a pension fund.** Treasury defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions connected to an eligible use of funds (e.g., for public health and safety staff). Examples of extraordinary payments include ones that:
  - × Reduce a liability incurred prior to the start of the COVID-19 public health emergency and occur outside the recipient's regular timing for making the payment
  - × Occur at the regular time for pension contributions but is larger than a regular payment would have been

### ADDITIONAL RESTRICTIONS AND REQUIREMENTS

Additional restrictions and requirements that apply across all eligible use categories include:

- **No debt service or replenishing financial reserves.** Since SLFRF funds are intended to be used prospectively, recipients may not use SLFRF funds for debt service or replenishing financial reserves (e.g., rainy day funds).
- **No satisfaction of settlements and judgments.** Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring in a judicial, administrative, or regulatory proceeding is itself not an eligible use. However, if a settlement requires the recipient to provide services or incur other costs that are an eligible use of SLFRF funds, SLFRF may be used for those costs.
- **Additional general restrictions.** SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g., uses of funds that

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undermine COVID-19 mitigation practices in line with CDC guidance and recommendations) and may not be used in violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance. Other applicable laws and regulations, outside of SLFRF program requirements, may also apply (e.g., laws around procurement, contracting, conflicts-of-interest, environmental standards, or civil rights).



## Program Administration

The Coronavirus State and Local Fiscal Recovery Funds final rule details a number of administrative processes and requirements, including on distribution of funds, timeline for use of funds, transfer of funds, treatment of loans, use of funds to meet non-federal match or cost-share requirements, administrative expenses, reporting on use of funds, and remediation and recoupment of funds used for ineligible purposes. This section provides a summary for the most frequently asked questions.

### TIMELINE FOR USE OF FUNDS

Under the SLFRF, funds must be used for costs incurred on or after March 3, 2021. Further, costs must be obligated by December 31, 2024, and expended by December 31, 2026.

### TRANSFERS

Recipients may undertake projects on their own or through subrecipients, which carry out eligible uses on behalf of a recipient, including pooling funds with other recipients or blending and braiding SLFRF funds with other sources of funds. Localities may also transfer their funds to the state through section 603(c)(4), which will decrease the locality's award and increase the state award amounts.

### LOANS

Recipients may generally use SLFRF funds to provide loans for uses that are otherwise eligible, although there are special rules about how recipients should track program income depending on the length of the loan. Recipients should consult the final rule if they seek to utilize these provisions.

### NON-FEDERAL MATCH OR COST-SHARE REQUIREMENTS

Funds available under the "revenue loss" eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, note that SLFRF funds may not be used as the non-federal share for purposes of a state's Medicaid and CHIP programs because the Office of Management and Budget has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further details if they seek to utilize SLFRF funds as a match for these projects.

### ADMINISTRATIVE EXPENSES

SLFRF funds may be used for direct and indirect administrative expenses involved in administering the program. For details on permissible direct and indirect administrative costs, recipients should refer to Treasury's [Compliance and Reporting Guidance](#). Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs.

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**REPORTING, COMPLIANCE & RECOUPMENT**

Recipients are required to comply with Treasury's [Compliance and Reporting Guidance](#), which includes submitting mandatory periodic reports to Treasury.

Funds used in violation of the final rule are subject to remediation and recoupment. As outlined in the final rule, Treasury may identify funds used in violation through reporting or other sources. Recipients will be provided with an initial written notice of recoupment with an opportunity to submit a request for reconsideration before Treasury provides a final notice of recoupment. If the recipient receives an initial notice of recoupment and does not submit a request for reconsideration, the initial notice will be deemed the final notice. Treasury may pursue other forms of remediation and monitoring in conjunction with, or as an alternative to, recoupment.

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**REVISIONS TO THE OVERVIEW OF THE FINAL RULE:**

- January 18, 2022 (p. 4, p. 16): Clarification that the revenue loss standard allowance is "up to" \$10 million under the Replacing Lost Public Sector Revenue eligible use category; addition of further information on the eligibility of general infrastructure, general economic development, and worker development projects under the Public Health and Negative Economic Impacts eligible use category.
- March 17, 2022 (p. 18): Specified that provision of child nutrition programs is available to respond to impacts of the pandemic on households and communities.

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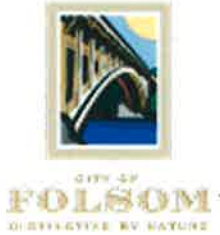
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CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE



# Folsom City Council Staff Report



<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	Old Business
<b>SUBJECT:</b>	Resolution No. 10982 – A Resolution of the City Council of the City Folsom Proclaiming Termination of Winter Storm Local Emergency
<b>FROM:</b>	City Attorney's Office

### **RECOMMENDATION / CITY COUNCIL ACTION**

Staff respectfully recommends that the City Council pass and adopt Resolution No. 10982 – A Resolution of the City Council of the City of Folsom Proclaiming Termination of Winter Storm Local Emergency.

### **BACKGROUND / ISSUE**

Starting late December 2022, a series of severe atmospheric river brought damaging winds and heavy rainfall throughout Northern California, including the City of Folsom, causing localized flooding and damage to private properties and public facilities. The severity of the storms and widespread damages caused the Governor of the State of California to proclaim a State of Emergency on January 4, 2023 (Attachment 3). The County of Sacramento’s Chief of Emergency Services proclaimed a State of Local Emergency on December 31, 2022 due to the same conditions (Attachment 4). Drawing upon her authority as the City’s Director of Emergency Services, the Folsom City Manager proclaimed a State of Local Emergency on January 13, 2023 (Attachment 5).

On January 18, 2023, the City Council adopted Resolution No. 10981 and ratified the Director’s emergency proclamation.

### **POLICY / RULE**

The California Emergency Services Act and the Folsom Municipal Code empower the City Council to proclaim the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity. The City Council shall proclaim

termination of the local emergency at the earliest possible date that conditions warrant per Folsom Municipal Code Section 2.28.040(A).

### **ANALYSIS**

Beginning at the end of December, 2022, a series of severe winter storms began pounding California, bringing wind, rain, flooding, and extensive damage to much of the state. These storms also brought damaging high winds, substantial precipitation, and localized flooding in the City of Folsom, with particularly challenging conditions accelerating from January 4, 2023 onward.

The storms caused significant damage throughout the City and required extraordinary responses by City employees to protect the public's health and safety. Storm damage to critical City infrastructure and resources presented a condition of extreme peril to the public's health and safety.

In her role as the City of Folsom's Director of Emergency Services, the City Manager found and declared conditions warranting the proclamation of a Local State of Emergency on January 13, 2023. The City Council ratified that proclamation on January 18, 2023. Since then, the waves of atmospheric river and severe winter storms have passed, and the conditions of extreme peril previously posed by the storms no longer exist in the City. It is, therefore, appropriate for the City Council to proclaim termination of the local emergency.

### **FINANCIAL IMPACT**

Costs and expenses associated with emergency response actions are budgeted in the City's General Fund, which may be reimbursable under County and State emergency proclamations. Terminating the proclamation of the COVID-19 local emergency has no impact on the City's general fund.

### **ENVIRONMENTAL REVIEW**

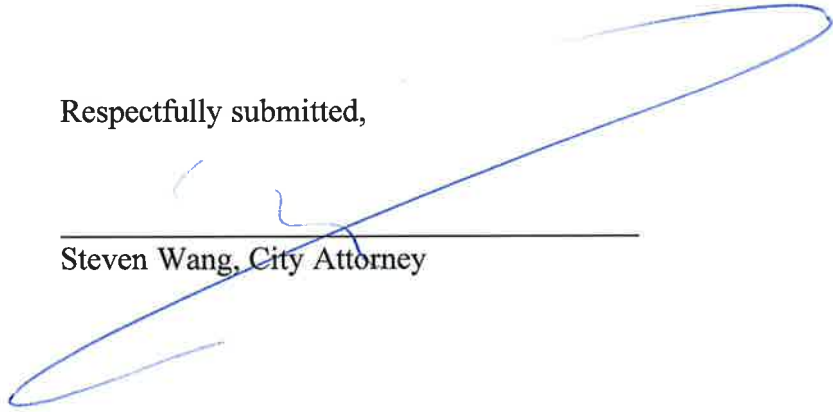
This action is not considered a project under Section 15061(b)(3) of the California Environmental Quality Act Guidelines, and as such is exempt from environmental review.

### **ATTACHMENTS**

1. Resolution No. 10982 - A Resolution of the City Council of the City Folsom Proclaiming Termination of Winter Storm Local Emergency
2. Resolution No. 10981 – A Resolution of the City Council of the City of Folsom Ratifying Existence of a Local Emergency
3. California Governor's Proclamation of a State of Emergency, January 4, 2023
4. County of Sacramento's Chief of Emergency Services' Proclamation of Local Emergency, December 31, 2022
5. Folsom City Manager's/Director of Emergency Services' Proclamation of a Local State of Emergency, January 13, 2023



Respectfully submitted,

A large, stylized handwritten signature in blue ink, written over a horizontal line. The signature is highly cursive and loops around the line.

Steven Wang, City Attorney

# ATTACHMENT 1

**RESOLUTION NO. 10982****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM  
PROCLAIMING TERMINATION OF WINTER STORM LOCAL EMERGENCY**

**WHEREAS**, California Governor Gavin Newsom proclaimed a State of Emergency on January 4, 2023 due to widespread damages caused by severe winter storms from a series of atmospheric river systems striking California; and

**WHEREAS**, the County of Sacramento's Chief of Emergency Services proclaimed a State of Local Emergency on December 31, 2022 due to the same conditions (and this declaration was ratified by the Sacramento County Board of Supervisors on January 3, 2023);

**WHEREAS**, the aforementioned storms also brought damaging high winds, substantial precipitation, and localized flooding in the City of Folsom, with particularly challenging conditions accelerating from January 4, 2023 onward; and

**WHEREAS**, the aforementioned storms caused severe damages throughout the City and required extraordinary responses by City employees to protect the public's safety; and

**WHEREAS**, due to additional and continuing storms related to this series of atmospheric river systems bringing strong winds, heavy rainfall, and localized flooding to the City for several days, with the expectation of additional damages from falling debris, downed trees, and localized flooding, the Folsom Director of Emergency Services proclaimed the existence of a local emergency due to the severe winter storms on January 13, 2023; and

**WHEREAS**, the City Council adopted Resolution No. 10981 and ratified the Director's emergency proclamation on January 18, 2023; and

**WHEREAS**, the winter storms have now passed and the conditions of extreme peril previously posed by the storms no longer exist in the City.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Folsom proclaiming that the winter storm local emergency in the City of Folsom shall be terminated as of January 24, 2023.

**PASSED AND ADOPTED** this 24<sup>th</sup> day of January, 2023, by the following roll-call vote:

**AYES:** Councilmember(s):  
**NOES:** Councilmember(s):  
**ABSENT:** Councilmember(s):  
**ABSTAIN:** Councilmember(s):

Rosario Rodriguez, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

## ATTACHMENT 2

**RESOLUTION NO. 10981****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM RATIFYING  
EXISTENCE OF A LOCAL EMERGENCY**

**WHEREAS**, California Governor Gavin Newsom proclaimed a State of Emergency on January 4, 2023 due to widespread damages caused by severe winter storms from a series of atmospheric river systems striking California; and

**WHEREAS**, the County of Sacramento's Chief of Emergency Services proclaimed a State of Local Emergency on December 31, 2022 due to the same conditions (and this declaration was ratified by the Sacramento County Board of Supervisors on January 3, 2023);

**WHEREAS**, the aforementioned storms also brought damaging high winds, substantial precipitation, and localized flooding in the City of Folsom, with particularly challenging conditions accelerating from January 4, 2023 onward; and

**WHEREAS**, the aforementioned storms caused severe damages throughout the City and required extraordinary responses by City employees to protect the public's safety; and

**WHEREAS**, it is forecasted that additional and continuing storms related to this series of atmospheric river systems will bring strong winds, heavy rainfall, and localized flooding to the City for several more days, and the City expects additional damages from falling debris, downed trees, and localized flooding; and

**WHEREAS**, storm damage to critical City infrastructure and resources can present a condition of extreme peril to the public's health and safety; and

**WHEREAS**, the California Emergency Services Act empowers the City Council to proclaim the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity; and

**WHEREAS**, drawing upon her authority as the City's Director of Emergency Services, the City Manager proclaimed a State of Local Emergency on January 13, 2023, and the City Council has been requested by the City's Director of Emergency Services to ratify the existence of a local emergency therein; and

**WHEREAS**, the City Council does hereby find that conditions of extreme peril to the safety of persons and property have arisen within the City of Folsom, caused by severe winter storms from a series of atmospheric river systems in Sacramento County and throughout the State of California commencing the 4<sup>th</sup> day of January, 2023, and that the aforesaid conditions of extreme peril warrant and necessitate the proclamation of the existence of a local emergency.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Folsom that the proclamation of a local emergency by the City's Director of Emergency Services due to

severe winter storms is hereby ratified.

**BE IT FURTHER RESOLVED** that during the existence of said local emergency the powers, functions and duties of the Director of Emergency Services and the emergency organization of this City shall be those prescribed by state law, by charter, ordinances, and resolutions of the City of Folsom.

**BE IT FURTHER RESOLVED** that said local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of Folsom.

**PASSED AND ADOPTED** this 18<sup>th</sup> day of January, 2023, by the following roll-call vote:

**AYES:** Councilmember(s): Aquino, Chalamcherla, Kozlowski, Rohrbough, Rodriguez

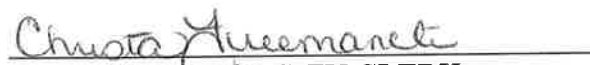
**NOES:** Councilmember(s): None

**ABSENT:** Councilmember(s): None

**ABSTAIN:** Councilmember(s): None

  
Rosario Rodriguez, MAYOR

ATTEST:

  
Christa Freemantle, CITY CLERK

# ATTACHMENT 3



EXECUTIVE DEPARTMENT  
STATE OF CALIFORNIA

PROCLAMATION OF A STATE OF EMERGENCY

**WHEREAS** beginning December 27, 2022, severe winter storms related to a series of atmospheric river systems struck California, bringing high winds, substantial precipitation, and river and urban flooding; and

**WHEREAS** it is forecasted that additional and continuing storms related to this series of atmospheric river systems threaten California, bringing heavy rainfall, expected flooding, strong winds and wind gusts, falling debris, downed trees, and widespread power outages; and

**WHEREAS** in preparation for the forecasted storms, multiple California Conservation Corps flood fight crews, fire swift water rescue, and urban search and rescue teams have been strategically prepositioned for emergency response; sandbags have been made available throughout the State; and shelters are opening for displaced individuals; and

**WHEREAS** these storms forced the closure and caused damage to highways and roads, as well as caused levee and culvert failures, and mandatory evacuations in severely impacted counties, and such impacts will likely continue to be caused by the forecasted storms; and

**WHEREAS** these storms threatened and continue to threaten critical infrastructure, movement of resources, burn scars from recent wildfires potentially causing mud and debris flows; resulted in and threaten power outages to thousands of households and businesses; and caused and continue to threaten river and urban flooding due to excessive and prolonged rainfall; and

**WHEREAS** due to the series of atmospheric river systems continuously impacting counties throughout the State, the counties have not had time to mitigate the cascading impacts of these storms; and

**WHEREAS** under the provisions of Government Code section 8558(b), I find that conditions of extreme peril to the safety of persons and property exist due to these storms; and

**WHEREAS** under the provisions of Government Code section 8558(b), I find that the conditions caused by these storms, by reason of their magnitude, are or are likely to be beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to appropriately respond; and

**WHEREAS** under the provisions of Government Code section 8625(c), I find that local authority is inadequate to cope with the magnitude of the damage caused by these storms; and

**WHEREAS** under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this Proclamation would prevent, hinder, or delay the mitigation of the effects of these storms.

**NOW, THEREFORE, I, GAVIN NEWSOM**, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code section 8625, **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist throughout California.

**IT IS HEREBY ORDERED THAT:**

1. All agencies of the state government utilize and employ state personnel, equipment, and facilities for the performance of any and all activities consistent with the direction of the Office of Emergency Services and the State Emergency Plan. Also, all residents are to obey the direction of emergency officials with regard to this emergency in order to protect their safety.
2. The Office of Emergency Services shall provide assistance to local governments, if appropriate, under the authority of the California Disaster Assistance Act, Government Code section 8680 et seq., and California Code of Regulations, Title 19, section 2900 et seq.
3. As necessary to assist local governments and for the protection of public health and the environment, state agencies shall enter into contracts to arrange for the procurement of materials, goods, and services necessary to quickly assist with the response to and recovery from the impacts of these storms. Applicable provisions of the Government Code and the Public Contract Code, including but not limited to travel, advertising, and competitive bidding requirements, are suspended to the extent necessary to address the effects of these storms.
4. Any fairgrounds the Office of Emergency Services determines suitable to assist individuals impacted by these storms shall be made available to the Office of Emergency Services pursuant to the Emergency Services Act, Government Code section 8589. The Office of Emergency Services shall notify the fairgrounds of the intended use and may immediately utilize the fairgrounds without the fairground board of directors' approval.
5. The California Department of Transportation shall formally request immediate assistance through the Federal Highway Administration's Emergency Relief Program, United States Code, Title 23, section 125, in order to obtain federal assistance for highway repairs or reconstruction.
6. The California National Guard may be mobilized under Military and Veterans Code section 146 to support disaster response and relief efforts, as directed by the Office of Emergency Services, and to coordinate with all relevant state agencies and state and local emergency responders and law enforcement within the impacted areas. Sections 147 and 188 of the Military and Veterans Code are applicable during the period of participation in this mission, exempting the California Military Department from applicable procurement rules

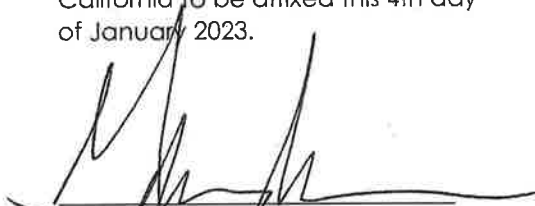
for specified emergency purchases, and those rules are hereby suspended.

7. Any state-owned properties the Office of Emergency Services determines suitable for staging of debris as a result of these storms shall be made available to the Office of Emergency Services for this purpose in accordance with Government Code section 8570.
8. Drivers may exceed the hours-of-service limits specified in California Vehicle Code section 34501.2 and California Code of Regulations, Title 13, section 1212.5 while operating a vehicle engaged in fuel transportation in support of emergency relief efforts, subject to the following conditions:
  - a. Motor carriers or drivers currently subject to an out-of-service order are eligible for the exemption once the out-of-service order expires or when they have met the conditions for its rescission.
  - b. In accordance with Section 1214, Title 13, California Code of Regulations, no motor carrier operating under the terms of this Proclamation will require or allow an ill or fatigued driver to operate a motor vehicle. A driver who notifies a motor vehicle carrier that they need immediate rest shall be given at least ten consecutive hours off-duty before being required to return to service.
  - c. Drivers shall maintain a driver's record of duty status, regardless of number of hours worked each day. These records shall be prepared, submitted, and maintained as required by Section 1213, Title 13, California Code of Regulations.
9. Consistent with Parts 390 and 395, Title 49, Code of Federal Regulations, drivers may exceed the hours-of-service limits specified while operating a vehicle engaged in fuel transportation in support of emergency relief efforts. These waivers shall be in effect for the duration of the driver's direct assistance in providing emergency relief, or thirty (30) days from the date of this Proclamation, whichever is less.
10. In order to allow out-of-state contractors and other utilities driving their own vehicles to provide mutual aid assistance for the restoration of electrical power within the counties impacted by these storms, applicable provisions of the Vehicle Code including, but not limited to, Vehicle Code section 34620 requiring a motor carrier permit [licensing] and imposition of certain fees, are suspended for motor carriers providing such assistance. Also, the requirements for motor carriers and drivers in Vehicle Code sections 1808.1 [pull-notice program that checks for driver's license violations], 27900 [display name on vehicle], 27901 [size and color of display name on vehicle], 34505.5 [requirement to have been inspected within 90 days], and 34501.12 [requirement to set up home base in California] are suspended while providing mutual aid assistance for the emergency restoration of services.

**I FURTHER DIRECT** that as soon as hereafter possible, this Proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Proclamation.

This Proclamation is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 4th day of January 2023.



GAVIN NEWSOM  
Governor of California

**ATTEST:**

\_\_\_\_\_  
SHIRLEY N. WEBER, Ph.D.  
Secretary of State

# ATTACHMENT 4

**PROLAMATION OF LOCAL EMERGENCY  
RESULTING FROM SEVERE WINTER STORMS OF  
DECEMBER 2022**

WHEREAS, Sacramento County Code, Title 2, Chapter 2.46 empowers the County Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when Sacramento County is affected or likely to be affected by a public calamity, flood or natural disasters when the Sacramento County Board of Supervisors is not in session; and,

WHEREAS, pursuant to Sacramento County Code section 2.46.110, in the absence of the Director of Emergency Services, the Deputy Director is empowered with all the same authority empowered to the Director of Emergency Services; and

WHEREAS, the Deputy Director of Emergency Services of the County of Sacramento does hereby find that conditions of extreme peril to the safety of persons and property have arisen within the County of Sacramento, caused by extreme winter storms resulting in widespread flooding, extraordinary stress upon levees, persistent levee overtopping, local flooding of communities and local infrastructure, and exhaustion of local resources and budget, and other critical conditions; and

WHEREAS, the volume and rate of active water flows through Sacramento County rivers, specifically the Cosumnes River, has resulted in the flooding of critical roads and communities, thereby prompting local authorities to alert the public to imminent flooding and to issue, via the County emergency alerting system, emergency evacuation orders advising residents to leave their homes and seek safety; and

WHEREAS, ongoing operational response activities and continuing area damage assessments, particularly in remote areas of the County where additional impacts are certain, have diverted local resources from day to day operations, and the impacts of these storms are beyond the control of personnel, services, equipment and budget of the County; and

WHEREAS, further damages are anticipated as ongoing precipitation from multiple continuing and projected storm events are anticipated to result in sustained runoff from rivers, streams and channels which continue to impact low lying areas; and


WHEREAS, there may be extensive damages to homes, businesses, agricultural crops, products, large animals and livestock; and

NOW, THEREFORE, IT IS HEREBY PROCLAIMED, pursuant to California Government Code section 8630 of the California Emergency Services Act, and Sacramento County Code, Title 2, Chapter 2.46, a local emergency exists within and throughout Sacramento County as of December 31, 2022, and

BE IT FURTHER PROCLAIMED AND ORDERED, during the existence of this local emergency, the powers, functions and duties of the Director and/or Deputy Director of Emergency Services shall be those prescribed by state law and Sacramento County ordinances, resolutions and the approved Emergency Plan, and

BE IT FURTHER PROCLAIMED AND ORDERED, the Director and/or Deputy Director of Emergency Services is authorized to use and employ any of the property, services, personnel and resources of the County to help mitigate this emergency, and may request Federal, State, and other public agencies provide mutual aid, including personnel, equipment and other available resources, to assist Sacramento County during this emergency; and

BE IT FURTHER PROCLAIMED AND ORDERED, the local emergency shall remain in effect for the next seven (7) days unless it has been ratified and extended by the Sacramento County Board of Supervisors, who shall review the need for continuing the local emergency at least once every 60 days, and shall terminate the local emergency at the earliest possible date that conditions warrant.

  
\_\_\_\_\_  
Mary Jo Flynn-Neer, Chief of Emergency Services  
Sacramento Deputy Director of Emergency Services  
Sacramento County Office of Emergency Services

12/31/22  
Date of Proclamation

# ATTACHMENT 5





## PROCLAMATION OF A LOCAL STATE OF EMERGENCY

WHEREAS, California Governor Gavin Newsom proclaimed a State of Emergency on January 4, 2023 due to widespread damages caused by severe winter storms from a series of atmospheric river systems striking California; and

WHEREAS, Sacramento County declared a state of emergency on December 31, 2022, which was ratified by the County Board of Supervisor on January 4, 2023; and

WHEREAS, the aforementioned storms also brought damaging high winds, substantial precipitation, and localized flooding in the City of Folsom, starting January 4, 2023 and continuing nonstop for several days thereafter; and

WHEREAS, the aforementioned storms caused severe damages throughout the City and required extraordinary responses by City employees to protect the public's safety; and

WHEREAS, it is forecasted that additional and continuing storms related to this series of atmospheric river systems will bring strong winds, heavy rainfall, and localized flooding to the City for several more days, and the City expects additional damages from falling debris, downed trees, and localized flooding; and

WHEREAS, storm damage to critical City infrastructure and resources can present a condition of extreme peril to the public's health and safety.

NOW, THEREFORE, I, ELAINE ANDERSEN, City Manager and Director of Emergency Services of the City of Folsom, pursuant to Folsom Municipal Code Section 2.28.040(A) and Government Code Section 8630(a), hereby proclaim a State of Local Emergency in the City of Folsom, California.

### IT IS HEREBY ORDERED:

1. All City employees under the direction of their respective Department Directors shall take all steps reasonable and necessary to assist with storm-related emergency responses for the protection of the health, welfare, and safety of Folsom residents and businesses.

2. All City equipment, resources, and facilities shall be made available to first responders, whether local, state, or federal, for the protection of the health, welfare, and safety of Folsom residents and businesses.

3. Emergency procurement of supplies, equipment, services, or construction materials, if necessary to confront the threat to public’s health, welfare, and safety, shall be made promptly under the provisions in Folsom Municipal Code Section 2.36.150.

4. City Departments, including but not limited to Police, Fire, Public Works, Environmental and Water Resources, and Parks and Recreation, shall take all steps necessary and appropriate, with safety being the top priority, to ensure continued and uninterrupted delivery of municipal services to Folsom residents and businesses during the storms.

5. All citizens are requested to comply with directions from public safety officers and City employees performing their duties responding to an emergency to protect the public’s health and safety under extreme conditions.

Failure of any person to comply with this Order and any order issued by a law enforcement officer pursuant to this Order constitutes an imminent threat to public health, welfare, and safety.

This Emergency Proclamation is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the City of Folsom, its departments, officers, employees, or any other person.

If any provision of this Emergency Proclamation or the application thereof to any person or circumstances is held to be invalid, the remainder of the Emergency Proclamation, including the application of such part or provision to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of this Emergency Proclamation are severable.

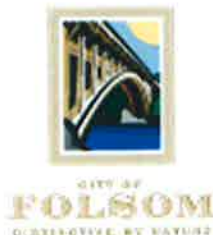
This Emergency Proclamation shall be filed in the City Clerk’s Office and given widespread publicity and notice.

**IT IS SO PROCLAIMED:**

Date: January 13, 2023

By:  \_\_\_\_\_

Elaine Andersen  
City Manager  
Director of Emergency Services



## Folsom City Council Staff Report

<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	New Business
<b>SUBJECT:</b>	Introduction and Direction to Staff Regarding the River District Master Plan Planning and Community Engagement Process
<b>FROM:</b>	Community Development Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

Staff recommends the City Council provide input and direction to Community Development Department staff regarding the River District Master Plan planning and community engagement process. Staff is specifically seeking direction on the following questions:

1. Does the City Council desire to include an advisory or ad hoc committee in the River District Master Plan process?
2. If so, what make-up of community stakeholder organizations is desired?
3. If so, does the City Council desire councilmember (up to two) participation on the committee?

### **BACKGROUND / ISSUE**

The Folsom General Plan 2035 contains a specific goal and corresponding objectives providing for the preparation of a River District Master Plan:

*Goal LU 5.1 - Support the appropriate enhancement of Folsom's riverfront areas for current and future residents in order to increase public access, recreational opportunities, and economic development in consultation with federal, state, and regional public land management agencies.*

In support of this goal, on April 12, 2022 the City Council approved the use of American Recovery Plan Act (ARPA) funds in the amount of \$362,500 for project management services (\$62,500) and retention of a planning/environmental consultant (\$300,000).

The General Plan suggests that a specific long-range plan be established by “Engaging the community, stakeholders, and federal, state and regional land management agencies in establishing a vision for Folsom’s River District.” Conceptual district boundaries are illustrated on Attachment 1. The General Plan preparation process revealed that there was substantial community interest in improving access to Lake Natoma (American River), elevating its place in the community related to tourism, recreation, business and commerce, as well as protecting and celebrating historically and culturally important sites, and significant habitat and environmental resource areas.

## **POLICY / RULE**

Folsom General Plan 2035, Goal LU 5.1/Objective LU 5.1.2 – Consider the preparation of a River District Master Plan for Folsom’s riverfront area, that is based on widespread community engagement as well as coordination with the U.S. Bureau of Reclamation, California Department of Parks and Recreation, and Sacramento County Regional Parks Department.

Folsom Charter, section 2.04.G – Duties of the Mayor, indicates the mayor may “Establish and dissolve ad hoc committees, subject to the approval of the Council, but no such committee shall exist for more than one year.”

Folsom Municipal Code, section 2.35.040 – One Seat Limitation, states that “No person may hold more than one appointed commission, board, council or committee seat at a time. This one-seat limitation shall not apply to: (1) commission, board, council or committee members who are appointed to other commissions, boards, councils or committees as a result of, or by virtue of, their status as a member of a particular commission, committee, board or council; or (2) membership on ad hoc committees.

## **ANALYSIS**

Not only does the General Plan include specific goals and objectives associated with development of a River District Master Plan, but the entire General Plan itself contains numerous associated supporting statements. The Guiding Principles emphasize numerous opportunities that may be considered during the River District Master Plan process:

- The need for city gateway enhancements...
- Continue to be a premier recreation destination...
- Commit to high-quality design...
- Integrate the old and new areas of the city...
- Enhance Folsom’s heritage...

Master plans can take many forms from relatively broad such as the city-wide Parks and Recreation Master Plan, to relatively detailed such as a site-specific, individual park development master plan. Due to the variety of land uses within the conceptual River District boundaries, the distinct different land ownership interests between federal, state, city, and private entities, and the yet-to-be-heard community preferences, the form of the River District Master Plan has not been determined yet. In all likelihood, it will be a blend of both broad and

detailed ideas, depending on the location, opportunities, constraints, and community input. It is the goal of the master planning process to conclude with a River District vision that will stimulate and guide future land development decisions, create an inspiring vision of recreation opportunities and increased access, use, and appreciation of the river and lake.

It should be noted that the master plan will not in itself rezone any land or property. However, it will likely make recommendations for innovative opportunities within existing zoning, or even make recommendations for future consideration of land use changes. It should also be noted that the city's planning effort will specifically include consideration of the Folsom Lake State Recreation Area General Plan (FLSRA), the CA State Department of Parks and Recreation's guiding land use, development, and program document. The planning effort will indeed include close examination of land use and recreation opportunities that are consistent with the FLSRA plan and prioritize those for future consideration.

Of key importance to the River District Master Plan process and highlighted in the General Plan is "robust community and stakeholder engagement." While the community engagement plan has not been designed at this time, it is envisioned to be multi-faceted. Engagement will be both broad and focused. Tools with a broad reach such as the city's website/web page, and the monthly newsletter will be used. The retained planning consultant will also be tasked with bringing recommendations for additional engagement, whether in traditional formats such as public workshops, or digital engagement through online surveys, etc.

The Urban Land Institute (ULI) highly recommends the use of advisory committees or ad hoc committees for complex community planning issues. The City Council has recently used this strategy to help inform, guide and make recommendations on challenging subjects like Historic District parking and the disposition of surplus city properties.

There is likely more interest within the community than the recommended capacity or participation in an advisory committee. Industry best practice for the membership size of an ad hoc committee for this purpose is from eight to 14 members. Below is a list of stakeholder organizations (not inclusive) who may have in interest in River District advisory committee representation:

- Adjacent resident associations (i.e., Natoma Station and American River Canyon)
- Folsom Historic District Association (FHDA)
- Historic Folsom Merchants Association (HFMA)
- Historic Folsom Residents Association (HRFA)
- River District Organizing Committee
- Chamber of Commerce/Visit Folsom
- Folsom Auto Mall Dealers Association
- CA State Department of Parks and Recreation Department/US Bureau of Reclamation
- Local paddling advocates (i.e., Lake Natoma Paddlers, Folsom Kayakers & SUP)
- Friends of Lakes Folsom and Natoma (FOLFAN)
- Folsom Auburn Trail Riders Action Coalition (FATRAC)
- CSUS Aquatic Center

- Local equestrian advocates (i.e., Shadow Glen Riding Stables)
- Heritage Preservation League
- Friends of Folsom Parkways
- At-large residents or business owners

Staff requests direction on the following questions:

4. Does the City Council desire to include an advisory or ad hoc committee in the River District Master Plan process?
5. If so, what make-up of community stakeholder organizations is desired?
6. If so, does the City Council desire councilmember (up to two) participation on the committee?

The general project process is outlined below, indicating approximately a two-year schedule.

River District Master Plan Primary Tasks	2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Vision, Boundary, and Land Use Concept								
Community outreach	X	X	X	X				
Solicit planning/environmental consultant	X							
Vetting draft vision, boundary, land use concept		X						
City Council review and direction		X	X					
River District Master Plan, Studies, and CEQA Analysis								
Preliminary Draft River District Master Plan			X	X				
Environmental studies and CEQA review				X	X			
Community and stakeholder workshops					X	X		
Revised Draft River District Master Plan						X	X	
Commission review and recommendation							X	X
City Council review and adoption								X

## **ENVIRONMENTAL REVIEW**

The recommended action of the City Council is not a project as defined by the CEQA and therefore does not require environmental review at this time. As part of the master planning process, the draft River District Master Plan will be evaluated for potential programmatic impacts prior to the City Council considering adoption. Any future site-specific proposals will be analyzed on a project-by-project basis for environmental clearance consistent with the CEQA.

## **FISCAL IMPACT**

There is no additional fiscal impact as a result of the proposed action. Funds for both project management and future retained consultants have already been budgeted and appropriated in the amount of \$362,500. The source of the funds is from federal allocations from the American Rescue Plan Act (ARPA).

**ATTACHMENTS**

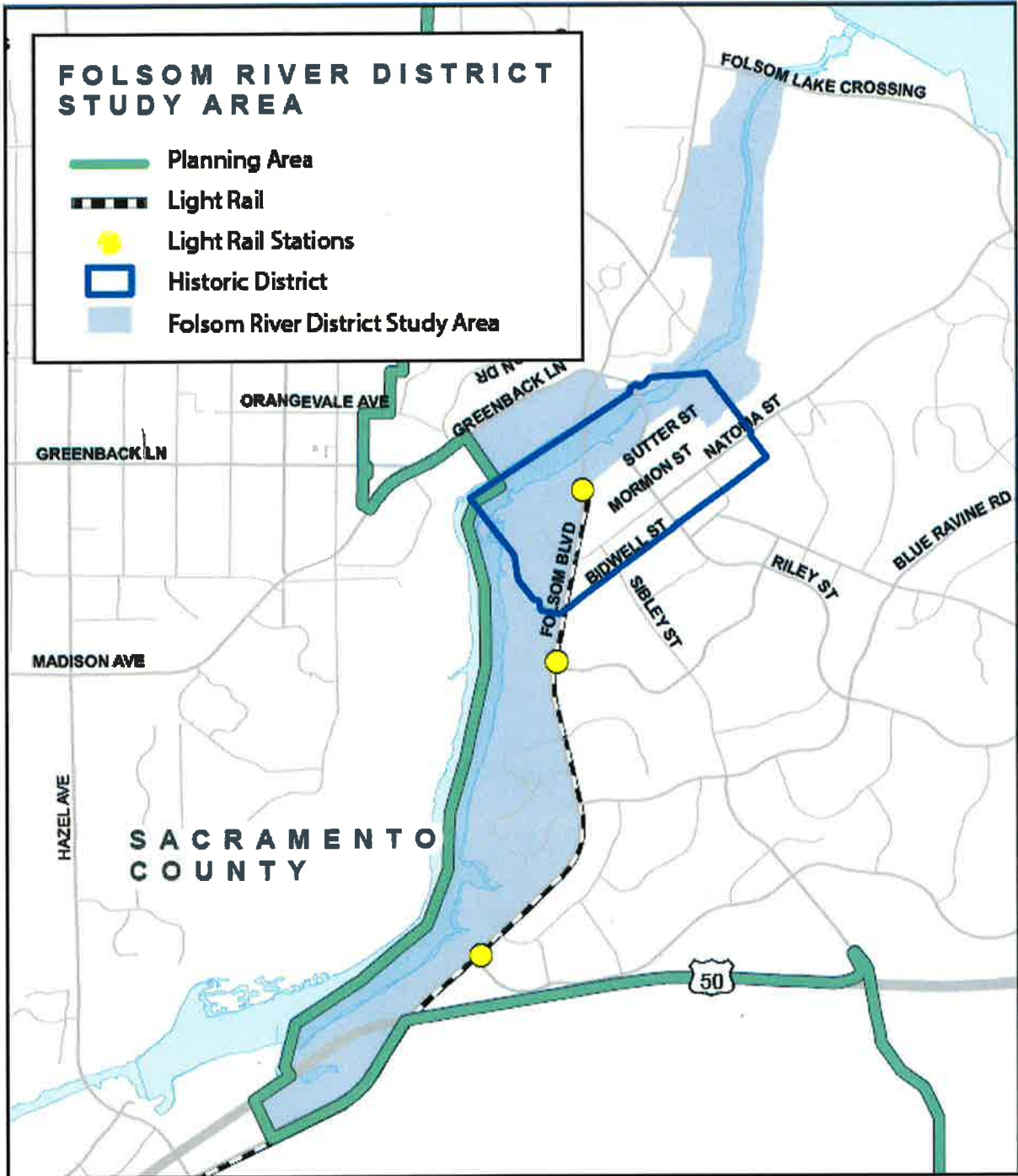
1. Folsom General Plan 2035 – River District Study Area Map

Submitted,



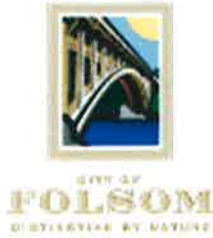
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PAM JOHNS  
Community Development Director



Source: Folsom General Plan 2035 - River District Study Area Map, page 2-23





# Folsom City Council Staff Report



<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	New Business
<b>SUBJECT:</b>	Introduction and Direction to Staff Regarding the Central Business District Master Plan Planning and Community Engagement Process
<b>FROM:</b>	Community Development Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

Staff recommends the City Council provide input and direction to Community Development Department staff regarding the Central Business District Master Plan planning and community engagement process. Specifically, staff requests direction on the following questions:

1. Does the City Council desire to include an advisory or ad hoc committee in the Central Business District process?
2. If so, what make-up of community stakeholder organizations is desired?
3. If so, does the City Council desire councilmember (up to two) participation on the committee?

### **BACKGROUND / ISSUE**

On April 12, 2022, the City Council approved the use of American Recovery Plan Act (ARPA) funds in the amount of \$322,500 for project management services (\$62,500) and retention of a planning/environmental consultant (\$260,000) to recreate a Central Business District Master Plan for the purpose of revitalizing this area of the City. Through a competitive qualifications request, Kathy Pease, AICP with Management Advisory Services (MAS) was selected be the project manager.

Revitalization of the Central Business District, roughly located along East Bidwell Street from Riley to Blue Ravine (see Attachment 1, Central Business District Study Area Map), has been a priority of the city for some time. It was an original commercial service area of the city,

which continues to provide vital services to the community. Because it is an existing developed area that is underutilized, constraints may include transportation/circulation, safety, lighting and landscaping, and utilities (stormwater, water, sewer capacity).

In 2015, a transportation study was prepared to analyze circulation and streetscapes in the Central Business District. That study was met with mixed reviews from landowners and was not adopted or implemented at that time. Since that time, there have been many changes to the retail environment, businesses in the area, some circulation improvements near Sutter Middle School and the introduction of a few multifamily housing projects into the district. More recently, the City applied for and received a community design grant from Sacramento Area Council of Governments (SACOG) for \$100,00 to complete streetscape analysis of Central Business District. It is anticipated that this would be an opportunity to refresh the previous transportation and streetscape plan for review and consideration as part of this master planning effort.

In 2022, the Central Business District was selected recently as part of the Urban Land Institute (ULI) grant Advisory Services Panel which provided a weeklong workshop in November with national experts that examined the Central Business District. Preliminary information from this effort identified a need to brand the area from a marketing perspective, increase development opportunities, improve safety and walkability, increase lighting and landscaping and recommended forming an advisory committee to get buy in on a shared vision. The full report with recommendations will be available for review and consideration as part of this master planning effort.

Staff has initiated a two-year planning effort in order to prepare a comprehensive revitalization/master plan to identify priorities which could enhance housing opportunities, economic development, mobility, and safety improvements, to help guide development and infrastructure improvements going forward. Landowner, business owner, and general community input and involvement will be critical to developing a master plan focused on desired revitalization of this key area of the City.

### **POLICY / RULE**

The Folsom General Plan 2035 contains specific goals and corresponding policies relevant to the Central Business District as follows:

*Table LU 6-1 Overlay Districts- East Bidwell Corridor (EBC) Overlay. This overlay designation gives property owners along the East Bidwell Corridor the flexibility to develop sites as mixed use. It provides for a mixture of commercial and residential uses that are mutually compatible along East Bidwell Street. This designation balances existing commercial uses with future mixed-use development. This designation allows for multifamily housing as well as shops, restaurants, services, offices, and other compatible uses*

*Goal LU 7.1 Provide for a commercial base of the city to encourage a strong tax base, more jobs within the city, a greater variety of goods and services, and businesses compatible with Folsom's quality of life.*

*Policy LU 3.1.5 - Encourage new development along East Bidwell Street by creating a stronger mixed-use development pattern, both horizontal and vertical, with an emphasis on medium- and higher-density housing, while also addressing local and citywide demand for retail and services.*

*Policy LU 3.1.6- Encourage development of mixed-use projects that create a walkable, vibrant district along East Bidwell Street between Coloma Street and Blue Ravine Road.*

*Policy LU 7.1.2 Encourage development of underutilized and vacant parcels in commercial zones to improve the aesthetic appearance and enhance the vitality of commercial areas.*

*Policy LU 9.1.7 Encourage efforts to establish and promote district identities (e.g., urban centers, East Bidwell Street) through the use of signage, wayfinding signage, streetscape and building design standards, advertising, and site-specific historic themes.*

Additionally, Folsom Charter, section 2.04.G – Duties of the Mayor, indicates the mayor may “Establish and dissolve ad hoc committees, subject to the approval of the Council, but no such committee shall exist for more than one year.”

Folsom Municipal Code, section 2.35.040 – One Seat Limitation, states that “No person may hold more than one appointed commission, board, council or committee seat at a time. This one-seat limitation shall not apply to: (1) commission, board, council or committee members who are appointed to other commissions, boards, councils or committees as a result of, or by virtue of, their status as a member of a particular commission, committee, board or council; or (2) membership on ad hoc committees.

## **ANALYSIS**

The General Plan Guiding Principles emphasize numerous opportunities that may be considered during the Central Business District Master Plan process:

- The need for city gateway enhancements...
- Continue to be a premier recreation destination...
- Commit to high-quality design...
- Integrate the old and new areas of the city...
- Enhance Folsom's heritage...

Master plans can take many forms from relatively broad such as the city-wide Parks and Recreation Master Plan, to relatively detailed such as a site-specific, individual park development master plan.

Of key importance to the process and highlighted in the General Plan is “robust community and stakeholder engagement.” While the community engagement plan has not been designed at this time, it is envisioned to be multi-faceted. Engagement will be both broad and focused. Tools with a broad reach such as the city’s website/web page, and the monthly newsletter will be used. The retained planning consultant will also be tasked with bringing recommendations for additional engagement, whether in traditional formats such as public workshops, or digital engagement through online surveys, etc.

The Urban Land Institute (ULI) highly recommends the use of advisory committees or ad hoc committees for complex community planning issues. The City Council has recently used this strategy to help inform, guide and make recommendations on challenging subjects like Historic District parking and the disposition of surplus city properties.

There is likely more interest within the community than the recommended capacity or participation in an advisory committee. Industry best practice for the membership size of an ad hoc committee for this purpose is from eight to 14 members. Below is a list of stakeholder organizations (not inclusive) who may have an interest in Central Business District advisory committee representation:

- Landowners – small and large
- Business Owners – small and large
- Chamber of Commerce/Visit Folsom
- Transportation Safety Committee representative
- Affordable Housing representative
- Folsom School District representative
- At-large community members at Council discretion, to seek a range of generational and demographic representation on the committee
- Friends of Folsom Parkways
- Multi-cultural or arts representatives
- Parks Commission

Staff requests direction on the following questions:

1. Does the City Council desire to include an advisory or ad hoc committee in the Central Business District process?
2. If so, what make-up of community stakeholder organizations is desired?
3. If so, does the City Council desire councilmember (up to two) participation on the committee?

The general project process is outlined below, indicating approximately a two-year schedule.

River District Master Plan Primary Tasks	2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Vision								
Community outreach	X	X	X	X				
Vetting draft vision and key components		X						
City Council review and direction		X	X					
Central Business District Master Plan, Studies, and CEQA Analysis								
Preliminary Draft Master Plan/ Recommendations			X	X				
Environmental studies and CEQA review				X	X			
Community and stakeholder workshops					X	X		
Revised Draft Central Business District Master Plan						X	X	
Commission review and recommendation							X	X
City Council review and adoption								X

### **ENVIRONMENTAL REVIEW**

The recommended action of the City Council is not a project as defined by the CEQA and therefore does not require environmental review at this time. As part of the master planning process, the draft Central Business District Master Plan will be evaluated for potential programmatic impacts prior to the City Council considering adoption. Any future site-specific proposals will be analyzed on a project-by-project basis for environmental clearance consistent with the CEQA.

### **FISCAL IMPACT**

There is no additional fiscal impact as a result of the proposed action. Funds for both project management and future retained consultants have already been budgeted and appropriated. The source of the funds is from federal allocations from the American Rescue Plan Act (ARPA).

### **ATTACHMENTS**

1. Central Business District Study Area Map

Submitted,



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PAM JOHNS  
Community Development Director

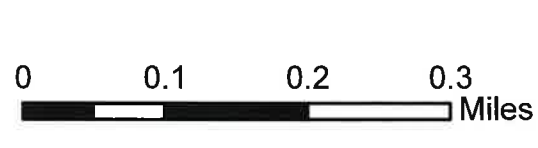
# Folsom Central Business District Boundary

01/24/2023 Item No. 14.



## Legend

**1** Central Business District





CITY OF  
**FOLSOM**  
DISTINGUISH BY NATURE

## Folsom City Council Staff Report

<b>MEETING DATE:</b>	1/24/2023
<b>AGENDA SECTION:</b>	New Business
<b>SUBJECT:</b>	Preliminary Budget Workshop with Mid-Year Budget Review, Presentation of Departmental Priorities, and Direction to Staff
<b>FROM:</b>	Finance Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

Receive presentation regarding mid-year budget review and departmental priorities for the upcoming FY 2023-24 budget and provide direction to staff.

### **BACKGROUND / ISSUE**

At a previous meeting, the City Council requested that staff return early in the calendar year to provide a mid-year budget review opportunity for FY 2022-23 and provide the City Council with a listing of top departmental requests for the upcoming FY 2023-24 budget process. Staff will present the requested information and seek Council direction.

Submitted,

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Stacey Tamagni, Finance Director/CFO  
Office of Management and Budget

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to facilitate double-sided printing.*



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