



CITY COUNCIL AGENDA REPORT

DATE: 8/29/2012

AGENDA OF: 9/11/2012

DEPARTMENT: Economic Development

SUBJECT: Santa Cruz Municipal Wharf - Economic Adjustment Assistance Grant Application, Economic Development Administration, U. S. Department of Commerce – Grant Acceptance and Appropriation. (ED/PK)

RECOMMENDATION: Resolution authorizing the City Manager to accept, if awarded, a grant from the Economic Development Administration, U.S Department of Commerce, Economic Adjustment Assistance program and appropriate funds in an amount up to \$170,000 for the local match and \$850,000 in Federal funds. The City Manager is further authorized to sign all documents necessary to accept the grant and take any other administrative actions necessary to complete the grant acceptance and its future implementation.

BACKGROUND: On March 28, 2012 the Economic Development Administration (EDA) of the U.S. Department of Commerce released an announcement of funding availability under the FY 2012 Disaster Relief Opportunity Congressional Appropriation Act. Through this funding EDA intends to award grants in regions throughout the United States that experienced economic impacts as a result of Federally declared natural disasters between October 1, 2010 and September 30, 2011. In the case of Santa Cruz, the impacts from the March 11, 2011 tsunami qualify our community for potential assistance through this funding. The specific program through which this assistance could be potentially provided is the EDA Economic Adjustment Assistance program (EAA). EDA provided funding to the City through the same program following the 1989 Loma Prieta Earthquake.

The EAA program provides a wide range of technical, disaster recovery, economic recovery planning, and public works assistance. It responds adaptively to pressing economic recovery issues and is well-suited to help address challenges faced by regions affected by natural disasters. Through this program, EDA can support the development of disaster recovery strategies, plans and specifications and other projects to support disaster communities.

The City Council, at its June 12, 2012 meeting, authorized the City to apply for a \$500,000 grant through EAA program and subsequently at its meeting of June 28, 2012 authorized an increase in the grant application to \$850,000.

Based on further review by EDA the funding amount was increased to \$850,000 with a local match of \$170,000 for a total project amount of \$1,020,000. The scope of the grant was also focused on preparation of a wharf master plan, a comprehensive structural evaluation and plans and specifications. Grant funding for these elements is as follows: Plans and Specifications – \$200,000, Engineering Structural Evaluation and Report – \$350,000, Wharf Master Plan – \$384,000 and Other Staff and Support Costs – \$86,000. On July 26, 2012 EDA invited the City to submit an EAA grant application.

DISCUSSION: As mentioned in the June 12th and July 24th City Council staff reports, it is still not certain that the City will be awarded an EDA Economic Adjustment Assistance grant for the Wharf. However, to ensure that the City is in a position to accept a grant, staff is requesting the Council adopt the attached resolution authorizing the City Manager to accept the EDA EAA grant and appropriating the local grant match which is recommended to be funded from Parks and Recreation Facilities Tax Fund.

The Wharf was constructed in 1914 and the potential funding provided by EDA would enable the City to conduct the first comprehensive engineering evaluation of the Wharf's structural systems. This evaluation will allow an analysis of each of the Wharf 4,750 pilings and various structural supports. The Master Plan has been strongly recommended by the Coastal Commission and without such a plan in place it is questionable if the Commission would approve any new improvements on the Wharf. The grant also provides funding for preparation of plans and specifications for future Wharf improvements identified through the Master Plan or Engineering Evaluation.

If the City is awarded a planning grant, it increases the likelihood that the City would be awarded an EDA grant for construction at a later time, subject to future Congressional appropriations.

FISCAL IMPACT: If awarded, funds from the City Parks and Recreation Facilities Tax Fund in the amount of \$170,000 will be used to match the \$850,000 EDA EAA grant.

Prepared by:	Submitted by:	Submitted by:
Joe H. Hall	Bonnie Lipscomb	Dannettee Shoemaker
Project Manager	Director of Economic Development	Director of Parks and Recreation

Approved by:
Martin Bernal
City Manager

ATTACHMENTS: Resolution