



MEMORANDUM

To: Council Infrastructure Subcommittee
From: Clay Holstine, City Manager
Subject: Potential Federal Funding
Date: March 28th, 2022

Background

The purpose of this report and agenda item is to discuss submission of earmarks to the federal government appropriations process and to discuss potential grant application process.

Options for Federal Funding

Two significant developments have taken place this year with regards to funding of capital projects at the local level using Federal dollars.

First, the passage of the Infrastructure Act that has allocated funds in various categories and programs that Cities may apply for through normal grant application processes.

Second, the reemergence of potential earmarks in federal funding authorizations. Many years ago, we were successful in obtaining funding through this process. While the process outlines specific funding items in the bill that congress passes and the President signs, we would still be required to do significant paperwork through whichever agency that over sees the funding.

Both funding opportunities are worth pursuing from staff's perspective as long as the grants/earmarks are of significant enough dollar value to justify the effort to obtain and administer. While there is no magic number staff believes that projects of a half million or more are worth pursuing. Keep in mind that we are often required to have a local match.

The funding we recently were awarded through an earmark for housing rehab is for just under half million to be matched by an equal amount locally.

We have been notified that we need to submit requests to Senator Feinstein and Padilla by April 4th.

Projects

Attached is our Capital Improvement list. It is recommended that we work from this list in identifying potential projects as these projects have been vetted and we have cost estimates. Previously we had submitted to the State of California funding request for a Wildland Fire Mitigation project (Tulare Street to Alvarado Street alley), and Water Conservation and Drought Resiliency project (Advanced Metering Infrastructure). State funding has identified a modest amount of funds for earmarking.

Timing and Process

We need to submit project requests prior to the next City Council meeting. Once the subcommittee decides, I can report it to the City Council and see if there are any concerns.

Recommendation

Review Capital list and determine appropriate projects for submittal. I have requested guidance from our Washington D.C lobbyist June DeHart regarding the dollar amount we should consider and hope to provide that input to you at the meeting.