



# Staff Report

DATE: February 10, 2025  
TO: MAYOR AND CITY COUNCIL  
FROM: MICHAEL BLAY, CITY MANAGER  
PREPARED BY: ROBERT D. DALQUEST, DEVELOPMENT SERVICES DIRECTOR  
GIOVANNI ARELLANO, REHABILITATION PROGRAMS ADMINISTRATOR  
SUBJECT: CONSIDER APPROVAL TO REAPPROPRIATE \$8,030 IN AMERICAN RESCUE PLAN ACT FUNDS FOR THE SANTA FE DEPOT BUILDING PATIO ROOF PROJECT

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## RECOMMENDED ACTION:

It is recommended that the City Council reappropriate \$8,030 of unused American Rescue Plan Act funds for the Santa Fe Depot Patio Roof Project from the following completed projects: 1) \$100 from the Downtown Small Business Rehab Program; 2) \$4,787.62 from the Micro-Retail Resiliency Program; 3) \$2,127.11 from the Small Business Rental Assistance Program; and 4) \$1,015.27 from the Downtown Parklets Project; and adopt a Resolution approving an interdepartmental Memorandum of Understanding between the City Manager's Office and the Development Services Department to obligate American Rescue Plan Act funds in the total amount of \$8,030 towards the Santa Fe Depot Patio Roof Project.

## GOAL STATEMENT

The proposed action supports the City's goal to eliminate blight and promote economic development activities in Historic Downtown Upland.

## BACKGROUND

The City's share of American Rescue Plan Act ("ARPA") funds was \$15.2 million with all funds to be obligated prior to December 31, 2024. However, any obligated ARPA funding remaining from a completed program could be reappropriated by a memorandum from the Development Services Department to the City Manager. The ARPA funded projects below from the Development Services Department had a small balance after the projects were completed. Below is a brief summary of the projects for the Council's reference.

- On February 27, 2023, the City funded the Restaurant Assistance for Increased Sales and Efficiency-Upland (RAISE-UP) Program utilizing \$325,000 in ARPA funds to provide up to \$6,700 in grant funding to assist local restaurants negatively affected by the coronavirus pandemic improve their operations by purchasing new business equipment, making tenant improvements, investing in digital marketing and business signage.
- On October 09, 2023, the City funded the Micro-Retail Resiliency Program (M-RRP) utilizing \$50,000 in ARPA funding to provide forgivable loans to Downtown micro businesses needing assistance with in-arrears rents, business signage, adaptive marketing strategies, security shutters and/or cameras recovering from the coronavirus pandemic and ensuing economic downturn caused by historic inflation.
- On October 09, 2023, the City funded the Downtown Upland Parklets Projects for a total of \$1,345,286.00 consisting of mixed source funding of which ARPA provided \$120,000. The project created four new urban open spaces in the public realm of Historic Downtown Upland encouraging a pedestrian orientated environment for patrons to enjoy open air in an outdoor setting.
- On October 14, 2024 the City increased funding of the Downtown Commercial Rehabilitation Program (CRP) originally funded at \$350,000 with an additional \$166,600 of ARAP fund balance from the Downtown Business Attraction and Assistance Program for a revised CRP budget of \$516,600.

Staff seeks to reappropriate these funds to continue with the intent of the above programs which were mainly to foster economic development in the Downtown for commercial property and businesses.

## ISSUES AND ANALYSIS

Staff has received competitive quotes to install a solid patio roof cover at the Santa Fe Depot building located at 220 E. A Street to maximize the use of the patio space for a future tenant's outdoor dining capacity. The lowest responsive

bidder was Labastida Construction at \$7,300. Including a 10% contingency, the total project cost is estimated at \$8,030.

A cumulative total of \$8,030.00 in ARPA funds remains unspent from the four previously mentioned Economic Development Programs as detailed below:

<u>Program</u>	<u>Fund Balance</u>
1. RAISE-UP	\$2,127.11
2. M-RRP	\$4,787.62
3. DTU Parklets	\$1,015.27
4. <u>CRP</u>	<u>\$100.00</u>
Total:	\$8,030.00

The total of \$8,030 of Development Services Department’s ARPA-funded project balances can be attributed to a savings in administrative delivery costs and/or program applicants not fully expending approved funding amounts.

Staff seeks to utilize the balances for a final ARPA funded economic development project and install a solid roof structure over the patio of the Santa Fe Depot building to ensure a more weather-protected patio for outdoor seating and improving the ability of a future tenant to fully utilize this space.

The attached MOU expressly creates an obligation between the City Manager’s Office and the Development Services Department. The MOU was executed on December 23, 2024, in order to ensure that funds were obligated towards this project by the December 31, 2024 deadline. The action taken today by the City Council affirms this new project and reappropriate previously obligated funds towards the Santa Fe Depot Patio Roof Project. The Development Services Department is responsible for obligating and expending the ARPA funds towards this Project by December 31, 2026.

**ENVIRONMENTAL DETERMINATION**

The action is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Further, if the activity is deemed a project this City Council finds that this Resolution is exempt pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

**FISCAL IMPACTS**

This action affirms the reappropriation of \$8,030 in obligated ARPA funds to the Santa Fe Depot Patio Roof Project in Account No. 2297500-5258-16169.

**ALTERNATIVES**

Provide alternative direction to staff.

**CEQA:** Not a Project.