

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.23  
(ID # 22137)

MEETING DATE:  
Tuesday, November 07, 2023

**FROM :** OFFICE OF ECONOMIC DEVELOPMENT AND FIRST 5 RIVERSIDE COUNTY :

**SUBJECT:** OFFICE OF ECONOMIC DEVELOPMENT: Approve In-Principle, Preliminary Project Budget, and Budget Adjustment for the French Valley Childcare and Early Childhood Learning Experience Project. District 3. [\$19,000,000 Total Cost; \$12,000,000 - 63% ARPA D3 Child Care Facilities, \$3,000,000 - 15% Riverside County Library System Fund 21200, \$2,000,000 - 11% CA Proposition 10 Fund 25800, and \$2,000,000 - 11% ARPA First 5] (Not a Project Under CEQA) (4/5 Vote Required)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the French Valley Childcare and Early Childhood Learning Experience Project for inclusion in the Capital Improvement Program (CIP); and

Continued on Page 2

**ACTION:** Policy, CIP, 4/5 Vote Required

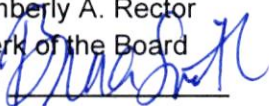
  
Suzanne Holland, Director of Office of Economic Development 10/12/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington and Perez  
Nays: None  
Absent: Gutierrez  
Date: November 7, 2023  
xc: OED, First 5

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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**RECOMMENDED MOTION:** That the Board of Supervisors:

2. Approve in-principle, the French Valley Childcare and Early Childhood Learning Experience Project (Project) located at 31530 Skyview Road, Winchester, CA 92596, for design and construction an approximately 13,000 square foot building and site improvements; and
3. Approve the use of ARPA funds in the amount of \$1,000,000 from District 3's First 5 Child Care allocation and \$1,000,000 from a reallocation of First 5's Early Care and Education Recovery Fund Second Allocation for the French Valley Childcare and Early Childhood Learning Experience project costs.
4. Approve a preliminary project budget in the amount not to exceed \$19,000,000 for the Project, which includes the following previously approved funding: \$12,000,000 - District 3 ARPA, \$2,000,000 - First 5 CA Prop 10 Fund, and \$2,000,000 - First 5 ARPA; and
5. Authorize the use of Riverside County Library System Fund 21200, in the amount not to exceed \$3,000,000; and
6. Approve and direct the Auditor-Controller to make budget adjustments as shown on Schedule A; and
7. Authorize the Purchasing Agent to execute pre-qualified consultant service agreements not to exceed \$100,000, per pre-qualified consultant, per fiscal year, in accordance with applicable Board policies for this Program, and the sum of all Program contracts shall not exceed approved funding.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 2,000,000	\$ 12,000,000	\$ 19,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> 63% District 3 ARPA - \$12,000,000, 15% Riverside County Library System Fund 21200-\$3,000,000, 11% First 5 CA Prop 10 Fund 25800-\$2,000,000, 11% First 5 ARPA-\$2,000,000			<b>Budget Adjustment:</b> Yes	
			<b>For Fiscal Year:</b> 23/24 - 25/26	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (H.R. 1319) in to law. The \$1.9 trillion package is intended to combat the COVID-19 pandemic, including the public health and economic impacts. On April 27, 2021, the Executive Office presented the

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Board of Supervisors with a preliminary ARPA funding allocation, and on October 19, 2021, presented a revised funding allocation after the U.S. Treasury released the ARPA interim funding guidelines. On April 1, 2022, the U.S. Treasury effectuated the provisions of the final rule and funding guidelines. The final rule authorizes ARPA funding for impacted industries such as tourism, childcare, travel, and hospitality as well as make necessary investments in water, sewer, or broadband infrastructure. The ARPA final rule provides a broad set of enumerated eligible uses including childcare and early learning services, and as the Riverside County population increases, so does the need for additional childcare and early learning services.

The French Valley Childcare and Early Childhood Learning Experience Project will design and construct an approximately 13,000 square foot building on the same property as the French Valley Library, located at 31526 Skyview Rd, Winchester, CA 92596. The Project will include approximately 9,000 square feet of childcare programming and 4,000 square feet for an interactive hands-on learning experience. Developing these services adjacent to the French Valley Library will create a learning hub for future generations.

On July 17, 2023, First 5 Riverside County approved \$2,000,000 from California Proposition 10 Funds and \$2,000,000 from its ARPA funding allocation for the Project. On July 18 ,2023 (Agenda Item 3.2), the Board of Supervisors approved \$12,000,000 from the 3<sup>rd</sup> District's 2<sup>nd</sup> ARPA allocation for the French Valley Childcare and Early Childhood Learning Experience Project.

The Office of Economic Development (OED) recommends approval in-principle, preliminary project budget, and authorization of Library funding for the Project. OED shall seek a design-build firm to complete the Project, and OED will return to the Board to approve the design-build contract subsequent to the design-build qualifications procurement process.

The Board approval of the budget and initiate the design process does not constitute a project under the California Environmental Quality Act (CEQA). Specific details regarding the project description and site plan will require the initiation of design development, which can proceed with the project budget approval. The project will undergo additional environmental review once a conceptual design is completed that will allow a meaningful evaluation of potential impacts. The compliance document under CEQA will be presented to the Board for approval in combination with the project design documentation.

**Impact on Residents and Businesses**

The Project provides needed space for childcare facilities and early learning services, which directly responds to the negative public health and economic impact disparities, as enumerated in the ARPA Final Rule. As specifically noted in the ARPA Final Rule, Background: Childcare and Early Learning (4363):

“As daycares and schools closed in-person activities during the pandemic, many working families were left without childcare during the day. Although daycare centers and schools have since reopened in many communities, there remains a persistent childcare shortage as childcare employment levels have not fully rebounded since the sharp

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decline in childcare employment at the beginning of the pandemic. As a result, working parents in communities across the country, and more specifically women, may face challenges entering or reentering the labor force.”

**Additional Fiscal Information**

Current FY costs associated with this Board action are estimated \$2,000,000, FY 24/25 costs are estimated at \$12,000,000, and expenditures for FY 2025/26 are estimated at \$5,000,000. The Office of Economic Development requests a budget adjustment in attached Schedule A to increase revenue and appropriations for anticipated expenditures of \$2,000,000 for this fiscal year. The approximate allocation of the preliminary Project budget is as follows:

<b>BUDGET LINE ITEMS</b>	<b>BUDGET AMOUNT</b>
Pre-Development	\$217,500
Design	\$15,000
Regulatory Permitting/Inspections	\$455,160
County Administration	\$35,000
Construction	\$17,277,340
Project Contingency	\$1,000,000
<b>Total Budget</b>	<b>\$19,000,000</b>

**Attachment:**

- Schedule A Budget Adjustment

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Aaron Gettis, Deputy County Counsel      10/19/2023

SCHEDULE A  
Office of Economic Development County Free Library  
French Valley Childcare and Early Childhood Learning Experience  
Project Budget Adjustment  
Fiscal Year 2023/2024

Increase estimated revenues:

21735-1900700000-763520	Fed-American Rescue Plan Act	\$12,000,000
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Increase appropriations:

21735-1900700000-528500	Project Cost Expense	\$11,900,000
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21735-1900700000-537080	Interfnd Exp-Miscellaneous	\$ 100,000
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Increase appropriations:

21200-1900700000-542040	Buildings-Capital Projects	\$2,000,000
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Use of restricted fund balance:

21200-1900700000-321101	Restricted Program Money	\$2,000,000
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