



Legislation Text

File #: 22-0560, **Version:** 1

Planning and Building Department recommend the Board:

- 1) Approve and authorize the Chair to sign Resolution **052-2022**, authorizing the Planning and Building Department to submit a grant application for the Federal Emergency Management Agency's Hazard Mitigation Grant Program to provide funding assistance for the Caldor Fire Post-Disaster Code Enforcement and Reconstruction Project; and
- 2) Delegate authority to the Director of the Planning and Building Department, or designee, to conduct all negotiations, sign and submit all documents, including, but not limited to applications, local match commitment letters, agreements, amendments, and payment requests necessary for the completion of the grant sub-application and application process.

FUNDING: Federal Emergency Management Agency's Hazard Mitigation Grant Program funds (75% Federal) and County General Fund (25%).

DISCUSSION / BACKGROUND

The United States Department of Homeland Security's Federal Emergency Management Agency (FEMA) provides various grant funding opportunities through its Hazard Mitigation Grant Program (HMGP) for assistance with projects as a result of impacts from natural disasters, including post-disaster code enforcement activities as a result of wildfires. The State of California Governor's Office of Emergency Services (CalOES) is responsible for administering FEMA's HMGP funding at the state level.

Through FEMA's HMGP, CalOES is authorized to receive HMGP funding as a result of a major disaster declaration by the President of the United States. On September 1, 2021, the President declared the existence of an emergency in California and ordered Federal aid to supplement state and local agency recovery efforts due to the emergency conditions resulting from the Caldor Fire, which began on August 14, 2021. Upon full containment on October 21, 2021, the Caldor Fire burned a total of 221,835 acres, destroyed a total of 1,003 structures, including 782 single family residences, 18 commercial properties, and 203 accessory structures, and also damaged an additional 81 structures, ultimately decimating the town of Grizzly Flats and impacting several other areas.

While it's still early in the recovery process related to the Department's activities and it's unknown how many residents are interested in or will be able to rebuild, it's anticipated that the Department's recovery efforts will span three to four years and result in significant costs and additional necessary resources.

On November 2, 2021 (File No. 21-1722, Item No. 3), the Board approved additional resources, including full time and extra-help staffing allocations as well as funding to assist with various recovery costs such as overtime, equipment, and consultant contracts. Staff have also been working to identify additional funding sources to assist with offsetting costs wherever possible. It's currently anticipated that a small portion of the Department's recovery costs, those primarily associated with the initial response, safety inspections, and creation of disaster and demolition permits, will be reimbursable through FEMA under a separate funding source; however, costs beyond that initial recovery were

determined ineligible for reimbursement through FEMA as part of that funding.

On February 15, 2022, the Planning and Building Department (Department) submitted a Notice of Interest to CalOES indicating its intent to apply for HMGP funding for a Caldor Fire Post-Code Enforcement and Reconstruction Project (Project) to seek funding assistance to cover a significant portion of costs associated with the Department's efforts to process applicable Planning and Building permits for individuals whose homes and/or other structures were destroyed by the Caldor Fire. It's anticipated that this funding source will cover the reimbursement of costs associated with the Department's recovery efforts beyond the initial response and what's been considered eligible by FEMA under the funding source noted above.

The Department currently estimates the costs for this Project under this HMGP to total \$5,080,892. This amount represents a federal share of 75% of the total project cost, or \$3,810,669, to be provided on a reimbursement basis. HMGP applicants are required to commit to provide a non-federal match equal to 25% of the total project cost, or \$1,270,223. The local match must be substantiated by a Local Match Commitment Letter identifying the funding source and the date match funds will be available.

It is important to note that if awarded these HMGP funds by FEMA, the total reimbursable amount to the Department will be reduced by the amount of permit fees that are either waived by the County or paid by applicants. Additionally, the total Project costs are based on the majority of homeowners completing the rebuilding process. Though there are many unknowns at this time, it is likely that the total reimbursable amount, including the local match requirement, will be significantly less than what the Department applies for. Lastly, this Project reflects a change in the Department's recovery efforts from what was originally anticipated. If funding is approved by FEMA, the Department will primarily utilize consultant contracts to complete the permitting and plan check review rather than through current staffing as consultant costs are fully reimbursable. Staffing resources will still be needed during the HMGP application process and up to the award date, anticipated to occur in Spring 2023, in order to process the current and future Caldor permitting workload.

The Department is requesting that the Board approve the submittal of the HMGP sub-application to CalOES and subsequent application to FEMA for HMGP funding, including the proposed Resolution endorsing the County's availability of local match funds, and if the grant application is approved, commit to funding the remainder of the total project cost for which the County would be reimbursed by FEMA once the Project is complete.

The Department is also requesting that the Board provide direction to the Department as to which funding source will be utilized for the Project's local match requirement, whether it be through General Fund or Caldor Fire Relief Designation funds, or a combination thereof. The Board could choose to defer this funding discussion and designation to a later date when the Department is notified of the grant award.

ALTERNATIVES

The Board may choose not to approve the proposed Resolution. This would result in the Department being unable to apply for this HMGP funding opportunity and would require staff to seek other funding opportunities.

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve the resolution, authorizing the Planning and Building Department to submit the grant application to provide funding assistance for the Caldor Fire Post-Disaster Code Enforcement and Reconstruction Project and confirming the availability of funding for this purpose. On Sept 21, 2021, the Board authorized the creation of a Caldor Fire designation comprising \$5 million in General Fund (Legistar #21-1503). Of that amount, \$3,252,500 remains unallocated in anticipation of future needs. It is recommended that this funding be utilized for the local grant match. With the approval of the Resolution, \$1,270,223 will continue to be budgeted in the designation in future budget years until needed for the grant match.

FINANCIAL IMPACT

As noted above, a 25% local match is required for this Project under the FEMA HMGP in the amount of \$1,270,223. In addition to the 25% local match, the County will be required to front up to the \$5,080,892 federal share and obtain reimbursement from FEMA through CalOES upon Project completion.

The Department anticipates that the County will receive notification of the grant award in Spring 2023; however it could be later than that. As the Department progresses through the HMGP sub-application and application process, staff will work to incorporate these costs into the Fiscal Year 2022-23 and Fiscal Year 2023-24 budgets.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Clerk of the Board will obtain the Chair's signature on one (1) original copy of the Resolution; and
- 2) The Clerk of the Board will forward a copy of the fully-executed Resolution to the Planning and Building Department, attention Tom Meyer, for further processing.

STRATEGIC PLAN COMPONENT

Good Governance: The Department's Caldor Fire Post-Disaster Code Enforcement Project is consistent with this Strategic Plan component through promoting the development of resources to identify and pursue additional revenue including local, state, and federal funding for new and existing projects.

CONTACT

Karen Garner, Director
Planning and Building Department