

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



ITEM: 3.18
(ID # 19744)

MEETING DATE:
Tuesday, November 08, 2022

FROM : OFFICE OF ECONOMIC DEVELOPMENT:

SUBJECT: RIVERSIDE COUNTY OFFICE OF ECONOMIC DEVELOPMENT: Approve In-Principle and Preliminary Project Budget for the Edward Dean Museum Revitalization Project. District 5. [\$3,100,000 - 100% ARPA] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Edward Dean Revitalization Project for inclusion in the Capital Improvement Program (CIP); and
2. Approve in-principle, the Edward Dean Revitalization Project located at 9401 Oak Glen Rd, Cherry Valley, CA 92223, for design and construction of site and building improvements; and

Continued on page 2

ACTION:Policy, CIP, 4/5 Vote Required


Suzanne Holland, Director of Office of Economic Development 9/27/2022

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Hewitt, and Perez
Nays: None
Absent: None
Date: November 8, 2022
xc: OED

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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RECOMMENDED MOTION: That the Board of Supervisors:

3. Approve a preliminary project budget in the amount not to exceed \$3,100,000 for the Project; and
4. Authorize \$300,000 from the County of Riverside's ARPA Economic Recovery allocation, American Rescue Plan (ARPA) Coronavirus Relief fund, to be used for tourism promotion of the Edward Dean Museum programs; and
5. Authorize the funding of the Edward Dean Museum and Gardens Septic System Replacement and Stormwater Runoff Control Project from District 5 ARPA Infrastructure funding category in an amount not to exceed \$1,000,000; and
6. Authorize \$1,800,000 from the County of Riverside's ARPA Economic Recovery allocation, American Rescue Plan (ARPA) Coronavirus Relief fund, to be used for the Edward Dean Revitalization Project; and
7. Approve and direct the Auditor-Controller to make budget adjustments as shown on Schedule A; and
8. Designate the Office of Economic Development as an Authorized Entity as it is defined in Board Policy No. B-11 for the purpose of implementing, administering, and completing this Project; and
9. Delegate project management authority (managing department) for the Project to the Director of Office of Economic Development in accordance with applicable Board policies, including the authority to utilize consultants on the approved pre-qualified list for services in connection with the Project, and within the approved Project budget; and
10. 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.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% ARPA			Budget Adjustment: Yes	
			For Fiscal Year: 22/23 - 23/24	

C.E.O. RECOMMENDATION: Approve

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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 Board of Supervisors with a preliminary ARPA funding allocation then 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, travel, and hospitality as well as make necessary investments in water, sewer, or broadband infrastructure

On May 5, 2021, the Board received and filed the Strategic Economic Recovery Framework presented by the Economic Recovery Task Force (ERTF). Key components of the framework were short and long-term action items, which included Small Business Assistance, Regional Tourism Marketing Campaign, Business Ecosystem Support as well as Investment in Small Business Development and Innovation and Entrepreneurship Hubs, for a coordinated economic recovery from the pandemic and for the growth of the region whose trajectory includes the principles of equal access to opportunities and addressing barriers for economic equity and inclusion.

On January 6, 2022, the U.S. Treasury issued the final funding guidelines. These guidelines further clarify the detailed eligibility criteria for use of ARPA funds. As a result, under the Economic Recovery category, ARPA allows for the development of programs to assist businesses and industries struggling to rebound from the pandemic as well as focus on strategic investment projects for future economic growth and resiliency in unincorporated disproportionately impacted communities.

Tourism:

Tourism has historically been a critical component of Riverside County's economy with its direct and indirect job creation, sales tax revenue, and transient occupancy tax revenue. The tourism, travel, and hospitality sectors are one of the most negatively impacted industries in Riverside County by COVID-19. Visit California, the State's official destination marketing organization, contracts with Dean Runyan Associates to study the travel industry economy across the state of California, including detailed economic impact in Riverside County. In 2021, Visit California released an economic impact study on California's travel industry for 2020 and prior years. The study noted that direct travel spending in Riverside County was down by 39.2% from 2020, a \$3.5 Billion loss to the industry. On October 6, 2020, Item 3.25, the Board of Supervisors authorized the creation of the Riverside County Tourism Recovery Campaign to support rebuilding of the county's tourism industry which suffered negative economic impacts as a result of the COVID-19 pandemic.

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The Edward-Dean Museum and grounds, located at 9401 Oak Glen Rd, Cherry Valley, CA 92223, was created by Edward Eberle and Dean Stout with most structures being erected in 1957 and given to the County of Riverside in 1964. The Edward-Dean Museum is a historic house that is committed to preserving its collection of 16th to 19th century decorative arts while offering social, cultural, and educational enrichment.

The International Council of Museums report titled "Museums, museum professionals and COVID-19: third survey" stated the following:

"the economic impact of the COVID-19 crisis on the sector, as already indicated in our first two reports, is severe but its long-term effects are still difficult to grasp. Besides reduced income and downsizing, the effects of the pandemic on museums will also have major consequences in terms of operational capacity and their role in society, negatively impacting opening hours, exhibitions, and public programs. This will have further consequences in terms of access to culture, depletion of cultural opportunities and, ultimately, the wellbeing of the communities these institutions serve."

The negative economic impacts experienced by the Edward Dean Museum closure due to the COVID-19 pandemic reduced grounds/park visitations and wedding cancellations, as exacerbated by the public health emergency.

The Office of Economic Development recommends the use of ARPA funding to expand promotion, advertising, and marketing of the Edward-Dean Museum, Reference Library & Archive destination for tourists and community members alike. Additionally, targeted efforts to the meeting and event planning industry will be undertaken as part of this effort. Traditional, digital advertising or marketing campaigns will promote new programs and exhibits about Riverside County's culture, history, and arts in an effort to bring in returning and new visitors.

In addition, the pandemic has adversely impacted fundraising capabilities while also escalating construction project pricing and grounds. Prior to the pandemic, the Edward Dean Museum was in the middle of the accreditation process. Accreditation offers high profile validation of the museum's operations and impact which increases the museum's credibility and value to funders, policy makers, insurers, the community, and peers. It is a powerful tool to leverage change and helps facilitate collection loans between museums and other institutions as well as increases access to grant opportunities, showing the museum is committed to excellence in collection management and overall museum standards. Gaining accreditation is a two-step process: first, the museum completes the museum assessment program (MAP) with the American Alliance of Museums during which the operations, policies, and collections standards are evaluated to ensure compliance with national museum collections standards; second, a formal application is submitted for accreditation with support from MAP. Capital improvements underway as part of the accreditation process include, but are not limited to, septic upgrades, water quality and drainage improvements, hazardous material mitigation, and Americans with

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Disabilities Act (ADA) compliance upgrades. Improved signage at the museum will also be included in the improvements.

Infrastructure:

On February 8, 2022, the board approved establishing the ARPA infrastructure funding category in the amount of \$82 million. This amount dedicated \$75 million to water, stormwater, and sewer infrastructure projects, distributed \$15 million per district and the remaining \$7 million was allocated to the Broadband affordability program. District 5 is requesting to utilize \$1,000,000 from its infrastructure share to fund the Edward Dean Museum and Gardens Septic System Replacement and Stormwater Runoff Control improvements. Sewer and Stormwater projects are an enumerated approved use of ARPA funding.

The Edward Dean Museum and Gardens Septic System Replacement and Stormwater Runoff Control project is proposing to replace a failing septic system and install approximately 2,100 feet of new storm drain and construct two stormwater detention basins onsite at the Edward Dean Museum and Gardens in Cherry Valley. The Project will focus primarily on preventing potential septic system malfunction, and enhancing stormwater collection and detention to improve erosion control from stormwater events in a region where rain events can lead to a significant volume of runoff and often impact neighboring properties and the public right of way.

In addition to the upgrade of septic, water quality, and drainage improvements, the Project includes, hazardous material mitigation, to include mold and asbestos removal, Americans with Disabilities Act (ADA) compliant upgrades (walkways and ramps), water damage remediation in the museum, three public restroom improvements, roof replacement of the museum, interior museum flooring, exterior restoration to include paint, new lighting, and landscape and driveway and parking improvements. Board approval to establish a budget and initiate the design process does not constitute a project under the California Environmental Quality Act (CEQA). Specific details regarding the project description, site plan, and placement and size of amenities will be further defined during the design process. The Project will undergo additional environmental review once a conceptual design is completed that will allow a meaningful evaluation of potential impacts if any, as any evaluation at this time would be speculative and would not lead to informed decision-making.

Impact on Residents and Businesses

The proposed funding responds to the negatively impacted tourism industry, provide health and safety improvements to the community, and increase accessibility and highlight the arts and cultural and library services and to drive tourism which was most impacted by the COVID-19 pandemic. The Project will also improve the health and safety of patrons through upgrades to storm and septic systems, mitigating downstream runoff and flooding, sewage backups and general access to the property during weather events.

Additional Fiscal Information

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Costs associated with this Board action will be funded using 100% ARPA funds. Expenditures for FY 22/23 are estimated at \$300,000; expenditures for FY 2023/24 are estimated at \$2,800,000. The Office of Economic Development requests a budget adjustment in attached Schedule A to increase revenue and appropriations for anticipated expenditures of \$300,000 for this fiscal year. The approximate allocation of the preliminary Project budget is as follows:

BUDGET LINE ITEMS	BUDGET AMOUNT
Tourism Promotion	\$300,000
Pre-Development	\$105,634
Design	\$241,101
Regulatory Permitting/Inspections	\$137,275
County Administration	\$25,000
Construction	\$2,009,172
Project Contingency	\$281,818
Total Budget	\$3,100,000

Attachment:

- Schedule A Budget Adjustment

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Aaron Gettis, Deputy County Counsel 10/4/2022

SCHEDULE A
Office of Economic Development Edward Dean Museum
Budget Adjustment
Fiscal Year 2022/2023

Increase estimated revenues:

21735-1930100000-763520	Fed-American Rescue Plan Act	\$3,100,000
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Increase appropriations:

21735-1930100000-528500	Project Cost Expense	\$3,100,000
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