RESOLUTION - ACTION REQUESTED 2014-109

MEETING: March 11, 2014

TO: The Board of Supervisors

FROM: Rick Benson, County Administrative Officer

RE: Request for Approval to Apply for EDA Infrastructure Grant

RECOMMENDATION AND JUSTIFICATION:
Approve Applying for an Economic Development Administration (EDA) Infrastructure Grant in Partnership with the Mariposa Public Utility District to Improve the Sewage and Water System for the Development of a Performing Arts/Conference Center/Resort Hotel; Authorize the County Administrative Officer to Sign the Grant Application.

It is recommended that the Board approve an application for the EDA Infrastructure Grant, per the 2012-2016 Comprehensive Economic Development Strategy (CEDS) that includes Infrastructure Enhancements (p. 18).

The Community Development and Grant Coordinator seeks permission to apply for an EDA Infrastructure grant jointly with the Mariposa Public Utilities District (MPUD). The grant would be used to build infrastructure for a proposed performing arts/conference center/resort hotel within MPUD's jurisdiction. Per the Grant Executive Summary, the Cost Match would be 50% of the grant award. A conditional commitment of the match has been made by the property owner, Gerald Fischer, per the attached letter.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
A Memorandum of Understanding between the County of Mariposa and MPUD to co-apply for the grant was voted on and approved at the Jan. 28, 2014 Board of Supervisors meeting.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve applying for the EDA Infrastructure Grant. This action will eliminate Mariposa County from being a possible recipient of the grant funds.

FINANCIAL IMPACT:
There will be no financial impact, as the County has indicated no financial commitment per the Memorandum of Understanding with MPUD.

ATTACHMENTS:
RESULT: ADOPTED AS AMENDED [UNAN IMOUS]
MOVER: Lee Stetson, District I Supervisor
SECONDER: Merlin Jones, District II Supervisor
AYES: Stetson, Jones, Bibby, Cann, Carrier
COUNTY of MARIPOSA
P.O. Box 784, Mariposa, CA 95338 (209) 966-3222

KEVIN CANN, CHAIR
MERLIN JONES, VICE-CHAIR
LEE STETSON
JANET BIBBY
JOHN CARRIER

DISTRICT IV
DISTRICT II
DISTRICT I
DISTRICT III
DISTRICT V

MARIPOSA COUNTY BOARD OF SUPERVISORS
MINUTE ORDER

TO: RICK BENSON, CAO
FROM: RENE' LaROCHE, Clerk of the Board

SUBJECT: Approve Applying for an Economic Development Administration (EDA) Infrastructure Grant in Partnership with the Mariposa Public Utility District to Improve the Sewage and Water System for the Development of a Performing Arts/Conference Center/Resort Hotel; Authorize the County Administrative Officer to Sign the Grant Application

RES. 14-109

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA

ADOPTED THIS Order on March 11, 2014

ACTION AND VOTE:

1. Administration/Economic Development RES-2014-109

Approve Applying for an Economic Development Administration (EDA) Infrastructure Grant in Partnership with the Mariposa Public Utility District to Improve the Sewage and Water System for the Development of a Performing Arts/Conference Center/Resort Hotel; Authorize the County Administrative Officer to Sign the Grant Application

Rick Benson briefly discussed the item, and introduced Tara Schiff/Economic Development. Ms. Schiff gave the staff report stressing that this is just an application, and that infrastructure expansion is necessary before any kind of growth can occur in town.

Supervisor Cann required clarification regarding the amounts to be requested and matched. Supervisor Stetson inquired as to the reason why MPUD cannot apply for the grant. Supervisor Bibby expressed her concerns that the application, and record, need to be very clear that Mariposa County is not committing to pay any money in this endeavor, and will not be liable for any portion of the repairs. She also required clarification regarding: the other parcels that will be benefited, noting that they should be in the application; whether or not there would be any condemnations for right-of-way, eminent domain or other issues; any safeguard language, as discussed on packet page 821; what will happen if the property doesn't sell; and who will pay funds if someone pulls out. Ms. Schiff responded to
all issues. Mr. Benson noted that if the grant is awarded, it will have to come back before the Board to be accepted and that all issues will need to be worked out prior to that time. Supervisor Bibby discussed her concerns regarding making such applications; required clarification of application language; and expounded on her desire that the application language be clarified. Mr. Benson responded, noting that the public improvements will be made by MPUD and that the grant doesn’t involve anything on private property. Supervisor Carrier required clarification regarding: the cost of the project; the time frame for project completion; and whether inflation, over the time to completion, is built into the figures. Ms. Schiff responded. Mr. Benson noted that the budget was put together by MPUD, and discussed the contingencies that are built into that budget. Supervisor Carrier elaborated on his concern that this needs to be fully funded as the County will not be funding anything; suggested the possibility of a performance bond for Jerry Fisher; required clarification regarding the process from this point on; and inquired as to the amount of time the Board will have between grant award and execution. Ms. Schiff responded, noting that she thinks the time frame is ninety days. Supervisor Carrier required clarification regarding the processing capacity; discussed his concerns of expanding to the facility; and inquired if plant expansion should be added to the grant. Ms. Schiff and Supervisor Cann responded, noting conversations with Mark Rowney/General Manager at MPUD. Supervisor Cann discussed assurances given by Mr. Rowney in response to concerns. Discussion ensued between Supervisors Carrier and Cann regarding Mr. Fisher’s match. Mr. Benson noted that Mark Rowney is not here today due to a medical issue. Supervisor Bibby required clarification as to where MPUD’s financial responsibility is discussed in the application; discussed that MPUD needs to be listed on the application; and noted that she would prefer that MPUD was the sole applicant, but will settle for it being added as a co-applicant. Mr. Benson noted that the MOU with MPUD identifies that Mariposa County will administer the grant. Supervisor Cann requested County Counsel’s opinion regarding the MOU and the County’s financial insulation. Steven W. Dahlem/County Counsel responded that he thinks that the language that was added to the MOU is sufficient. Supervisor Carrier inquired if MPUD could be listed as an applicant, in addition to Mariposa County. Ms. Schiff affirmed.

Supervisor Cann responded to concerns relative to this item that were raised in internet posts on the Sierra Sun Times; discussed issues of importance to the County, noting that they all require funds to accomplish; and discussed the reliance of the county on tourism, and the need to increase occupancy during shoulder season.

**Public comment opened.**

Greg Kittelson requested elaboration regarding job creation during project construction.

Darrell Tucker requested clarification of parcel location, and where the lines would be placed.

Ronika Johnson encouraged the Board to make sure all of the details are met before any grant is put forward.

Roger Biery/EDC President discussed the project and what is being requested, noting that the infrastructure improvements will not benefit just Jerry Fisher; and noted that the grant has been framed according to recommendations from the EDA representative.

Barry Brouilette discussed development potential, as well as EDA requirements that guard against unjust enrichment by Mr. Fisher.

Brad Aborn expressed concerns with what a major development would do to the character of Mariposa, as well as the effects on the existing lodgings in Mariposa and El Portal. He also noted that he would like to see something go in on Highway 49 North towards the Airport.
Marshall Long noted that Mariposa and Mariposa County has to grow, but that nothing can happen without an increase in the infrastructure; remarked that this is a much-needed investment in infrastructure; and noted that the type of project to go in is still open.

Public comment closed

Chair Cann responded to issues raised during public comment by noting that this would be an MPUD project, and that they do everything possible to use local contractors; that the parcel is located just east going out of town across from Williams Road; that he checked with the Planning Director, and the property in question is zoned as General Commercial; that MPUD right-of-way will be over Highway 140; that any project would require full preliminary conceptual review and comment by the public under the California Environmental Quality Act (CEQA) and National Environmental Protection Act (NEPA) processes; and that the General Plan has a design overlay and review process. He also discussed statistics regarding the number of families living beneath the poverty level in Mariposa County, noting that a project would be a job creator; and remarked that he does not believe there will be a lot of jobs imported for a project like this.

Board Deliberation

Supervisor Bibby inquired if changes can be made to the grant application to include MPUD as a co-applicant. Ms. Schiff responded that she thought so, but that she would have to check with David Martin, the EDA representative, to be sure. Supervisor Bibby noted that she cannot support this item without that addition and discussed possible application edits, as well as noting that she would prefer that MPUD also sign the application. Supervisor Bibby required clarification regarding MPUD capacity. Supervisor Cann responded that it was noted in the RFI discussion, that there is no capacity issue in the relatively new lines out to the property on Highway 49 North owned by Rick Roesch; that there is no capacity to Fisher’s parcel; and that what the MPUD General Manager has said is that he is at capacity with the lines that exist on that end of town and that he would like to improve them so this grant would also help that. Supervisor Bibby inquired if any Board member objected to listing MPUD as co-applicant in all areas. No objection was noted. Supervisors Bibby and Cann discussed additional clarifying language relative to the County and MPUD not committing any funding. Supervisor Cann noted that MPUD should be consulted before adding them to the language. Supervisor Bibby noted that, at a minimum, she would like the addition of language on page 832(c) (application item A.9.c) which notes that the County of Mariposa is not committing any non-EDA funding. Supervisor Jones discussed his past experiences with projects in other communities; discussed that a convention center would bring diversity that fits the county; that this would be a job creator; and that he firmly supports it. Supervisor Stetson stressed that there is no conference center, hotel or other planned project at this time; and that this is only to provide infrastructure so that potential projects can be considered in the future.

The Board took unanimous action to approve this item, with the application amended to include MPUD as a co-applicant on agenda packet pages 817, 820, 845, and anywhere else that it may be needed, as well as the addition of language to page 832(c) to the effect that the County of Mariposa is not committing any non-EDA funds.
RESULT: ADOPTED AS AMENDED [UNANIMOUS]
MOVER: Lee Stetson, District I Supervisor
SECONDER: Merlin Jones, District II Supervisor
AYES: Stetson, Jones, Bibby, Cann, Carrier

Cc: Tara Schiff, Community Development/Grant Coordinator
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