



# CITY COUNCIL STAFF REPORT



February 13, 2024

## ITEM TITLE

American Rescue Plan Act: Waive Competitive Bidding Requirements, Authorize the Purchase, Installation, and Maintenance of Fencing on the East Side of Industrial Boulevard in the Harborside/Palomar Area, and Appropriate Funds Accordingly

**Report Number:** 24-0046

**Location:** Industrial Boulevard, 91911

**Department:** Housing and Homeless Services & Public Works

**G.C. § 84308:** Yes

**Environmental Notice:** The Project qualifies for a Categorical Exemption pursuant to the California Environmental Quality Act State Guidelines Section 15303(e) Class 3 (New Construction or Conversion of Small Structures).

## Recommended Action

Adopt a resolution: 1) Waiving the competitive bidding requirements pursuant to Chula Vista Municipal Code Section 2.56.070(B)(3); and 2) Authorizing and appropriating interest earned on American Rescue Plan Act funds up to \$275,000 for the purchase, installation, and maintenance of fencing on Industrial Boulevard and authorizing the City Manager or designee to determine needed phasing for installation and execute all necessary documents. **(4/5 Vote Required)**

## SUMMARY

At the meeting of January 16, 2024, City Council directed staff to move forward with the purchase and installation of fencing along Industrial Boulevard as a mitigation measure to the growing number of unsheltered occupying the public right of way on the east side of Industrial Boulevard, primarily between Naples and Dorothy Streets near the Harborside Elementary School and Palomar Trolley Station. This item will appropriate needed funds to implement this measure.

## ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Categorical Exemption

pursuant to State CEQA Guidelines Section 15303(e) Class 3 (New Construction or Conversion of Small Structures), because the proposed project would not result in a significant effect on the environment, create a cumulative impact, damage a scenic highway, or cause a substantial adverse change in the significance of a historical resource. Thus, no further environmental review is required.

### **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

An overview of the January 16 Council direction was provided to the Housing and Homeless Advisory Commission..

### **DISCUSSION**

On August 23, 2022, City Council Resolution No. 2022-203 authorized the temporary closure of Harborside Park to allow staff time to address health and safety concerns due to illegal activities being conducted at the park and in the surrounding neighborhood. Since the closure, staff have continued to monitor and conduct routine maintenance in the surrounding area due to encampments, resulting most recently on January 12, 2024 in the removal of 2,000 square feet of graffiti and 36,540 pounds of trash and debris.

While the nature of the unsheltered in encampments is transient, over the past few months staff has seen a consistent group of twenty to thirty individuals who have been returning to the east side of Industrial Boulevard, primarily between Naples Street and Dorothy Street, as mapped below as the “Area of Concentration”.

**Encampment Area of Concentration  
Industrial Boulevard Naples to Dorothy Streets**



The Area of Concentration is primarily a dirt patch with some established trees, ranging from 8 to 10 feet between the back of the sidewalk and fence that is owned by the Metropolitan Transit System (MTS), to separate public right of way from the trolley tracks, as depicted below after the January 12 clean-up.

**Encampment Area of Concentration  
Public Right-of-Way**



Due to resulting impacts to the businesses, residents, and Harborside Elementary School, on January 16, 2024 staff provided a summary of the [“Impact of Unhoused People in the Industrial Boulevard Area”](#) to City Council, in response to a referral provided the week prior. At that time, Council directed staff to proceed with mitigating impacts to the Industrial Boulevard area, inclusive of the installation of fencing at the back side of sidewalk.

This item will waive the competitive bidding requirements pursuant to Chula Vista Municipal Code Section 2.56.070(B)(3), due to the immediate concern for public health and safety, and authorize up to \$275,000 for the installation of approximately 6,000 feet of fence, from L Street to Main Street, along the east side of Industrial Boulevard. While staff do not anticipate the need to install fence the entire length of Industrial Boulevard, staff intends to phase in the installation and continue to mitigate impacts as needed with additional fencing. The initial installation will focus on approximately 3,000 feet in the Area of Concentration and be installed within the next two months. In addition to monitoring the need for additional fencing, staff will continue to work on the other mitigation measures, per the direction of Council, and return within the next few months to provide an update and approval of additional measures, as appropriate.

Staff is recommending appropriating American Rescue Plan Act interest earnings to cover the cost of this expenditure up to \$275,000 as allowed under the Coronavirus State and Local Fiscal Recovery Funds Final Rule (31 CFR Part 35), which are not subject to the requirement of the Cash Management Improvement Act and Treasury’s implementing regulations at 2 CFR 200.305(b)(8) and(9)as it pertains to interest earnings being remitted back to the U.S. Department of Treasury. Such interest is also not subject to program restrictions.

**DECISION-MAKER CONFLICT**

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov’t Code §87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

**CURRENT-YEAR FISCAL IMPACT**

Approval of the resolution authorizes the use of up to \$275,000 in funds from American Rescue Plan Act interest earnings.

Staff recommend the following appropriations to fully fund this project:

FUND	ARPA CATEGORY	OTHER CAPITAL	TOTAL EXPENSE
American Rescue Plan Act 2021	ECO ARPA 2021 Admin	\$ 275,000	\$ 275,000
<b>TOTAL OTHER FUNDS</b>		<b>\$ 275,000</b>	<b>\$ 275,000</b>

**ONGOING FISCAL IMPACT**

Ongoing maintenance of the fence will be considered as part of the annual budget process for future years.

**ATTACHMENTS**

None.

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