



CITY COUNCIL STAFF REPORT



October 8, 2024

ITEM TITLE

CIP Creation and Transfer of Funds: Establish “Hilltop Park Slope Stabilization (DRN0221),” Amend the American Rescue Plan Act Spending Plan and Transfer ARPA Funds and Drainage DIF Funds from Telegraph Canyon Channel Project (DRN0208) to DRN0221

Report Number: 24-0260

Location: Hilltop Park

Department: Engineering

G.C. § 84308: No

Environmental Notice: The Project qualifies for a Categorical Exemption pursuant to the California Environmental Quality Act State Guidelines Section 15301 Class 1 (Existing Facilities) and Section 15304 Class 4 (Minor Alterations to Land).

Recommended Action

Adopt a resolution amending the FY 2024-25 CIP Program by establishing a new CIP project, “Hilltop Park Slope Stabilization” (DRN0221), amending the American Rescue Plan Act Spending Plan by Transferring \$1,862,275 in ARPA Funds from Telegraph Canyon Channel Project (DRN0208) to DRN0221, and Transferring \$1,137,725 in Drainage DIF Funds from DRN0208 to DRN0221. **(4/5 Vote Required)**

SUMMARY

City staff has identified the need to provide maintenance and stabilization for a portion of an existing drainage channel that traverses through Hilltop Park and is located between Hilltop Drive and First Avenue. The scope of work for the proposed CIP project, “Hilltop Park Slope Stabilization” (DRN0221), involves the installation of improvements to maintain and stabilize the subject channel segment.

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 15301 Class 1 (Existing Facilities) and Section 15304 Class 4 (Minor Alterations to Land) 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

Not applicable.

DISCUSSION

The project site occupies a portion of the main channel of the Telegraph Canyon Drainage Basin with runoff ultimately discharging to the San Diego Bay. The portion of the channel involving the proposed DRN0221 project traverses through Hilltop Park and consists of an existing concrete lined low-flow channel with earthen side slopes.

Over the years, seasonal storm flows have caused the side slopes of the channel to erode, creating the need to address the existing eroded areas of the channel and to mitigate future damage caused by erosion. The City’s Public Works Department has regularly provided maintenance for the subject channel, usually after a significant storm event occurs, in order to restore and repair the channel to an acceptable condition.

Improvements for this segment of the channel were originally programmed in the Telegraph Canyon Channel Project (DRN0208); however, the scope of that CIP is more extensive, requires additional funds, and is still being evaluated for feasibility and design alternatives. Therefore, in order to timely address and mitigate the current maintenance and stabilization needs of the segment of the channel through Hilltop Park, City staff is proposing to create a new CIP project (DRN0221) for this purpose. The primary focus of the DRN0221 project will be to maintain and stabilize the channel through the grading of less steep channel side slopes, the installation of turf reinforcement mat, and the construction of riprap energy dissipaters.

The creation of DRN0221 will allow the design of these improvements to be completed by the City’s design consultant and the advertisement and construction of the project. The breakdown of funds that will be transferred from DRN0208 to DRN0221 for design completion and construction of the proposed improvements is shown below:

Funds Transfer from DRN0208 to DRN0221	
ARPA (268)	\$ 1,862,275
Drainage DIF (542)	\$ 1,137,725
Total	\$ 3,000,000

ARPA Funding

On May 10, 2021, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”), established by the American Rescue Plan Act (“ARPA”), to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. The SLRF

program provides substantial flexibility for each jurisdiction to meet local needs – including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis.

The City received a total of \$57.5 million in ARPA funds, which were appropriated by the City Council with an initial expenditure plan presented on August 24, 2021.

This action proposes to reallocate \$1,862,275 in previously appropriated ARPA funds towards the Hilltop Park Slope Stabilization (DRN0221) project by amending the ARPA Spending Plan to transfer the funds from the Telegraph Canyon Channel Project (DRN0208) to DRN0221 within the Revenue Replacement Expenditure Category. Because both projects are included in the Revenue Replacement Expenditure Category, this reallocation has no net impact to the Spending Plan Summary.

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

This action reallocates \$1,862,275 in previously appropriated ARPA funds and \$1,137,725 in previously appropriated Drainage DIF funds from the “Telegraph Canyon Channel Project” (DRN0208) and increases the “Hilltop Park Slope Stabilization Project” (DRN0221) funding by \$3 million. There is no fiscal impact on the ARPA Fund, Drainage DIF Fund, or General Fund, as this is a reallocation of existing appropriations within the ARPA and Drainage DIF Funds.

ONGOING FISCAL IMPACT

The proposed transfer of funds will have no ongoing fiscal impact, as all associated costs will be fully covered within the existing project budget. No additional funding beyond the current project appropriation is necessary.

ATTACHMENTS

None.

Staff Contact:

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