



**Contra
Costa
County**

To: Board of Supervisors
From: Monica Nino, County Administrator
Date: November 8, 2022

Subject: Receive report on Measure X project updates and financials, and consider adopting additional Measure X funding allocations

RECOMMENDATION(S):

1. RECEIVE the Measure X project status report, performance measures framework, and presentations from departments,
2. ACKNOWLEDGE that on-going expenditures for Measure X allocations will be included in the Fiscal Year 2023-2024 budget,
3. AUTHORIZE the County Administrator's Office to apply cost of living adjustments for on-going Measure X allocations, and
4. DIRECT staff on next steps.

FISCAL IMPACT:

The recommendations included in this report would have the following impact: a Fiscal Year 2023-2024 cost of approximately \$5.3 million, plus additional policy-determined, year-on-year cost of living adjustment increases for the term of Measure X. All of these recommendations would be funded with sales tax revenues generated through Measure X, which are general purpose revenues.

BACKGROUND:

Measure X Allocation History

On November 3, 2020, voters in Contra Costa County approved Measure X, a Countywide, 20-year, half-cent sales tax. The ballot measure language stated the intent of Measure X as "to keep Contra Costa's regional hospital open and staffed; fund community health centers, emergency response; support crucial safety-net services; invest in early

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **11/08/2022** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

Contact: Adam Nguyen, County
Finance Director (925) 665-2047

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: November 8, 2022

Monica Nino, County Administrator and Clerk of the
Board of Supervisors

By: , Deputy

cc:

childhood services; protect vulnerable populations; and for other essential county services.”

BACKGROUND: (CONT'D)

On November 16, 2021, the Board adopted recommendations regarding Measure X, a reserve of \$20 million, one-time allocations of \$53,030,200 and on-going appropriations of \$71,481,000. The initial on-going funding cycle is April 1, 2022 through June 30, 2023. The Board of Supervisors subsequently allocated \$75 million in hospital capital projects on December 14, 2021. This brought the total one-time allocation up to \$128,030,200. The programs included in the adopted allocations identified below are categorized by the five goals of the Measure X Community Advisory Board.

- Goal #1: Mental Well-Being: We strive to be a community that supports the mental and behavioral health and well-being of all residents through prevention, crisis response services, intersectional supports, and innovative cross-sector approaches.
- Goal #2: Equity in Action: We strive to be a community that prioritizes equity and removes structural barriers that cause inequities and poverty, so that all residents can thrive.
- Goal #3: Healthy Communities: We strive to be a community in which all residents have access to affordable, timely, culturally responsive healthcare; adequate housing; high-quality childcare; and nutritious food, all of which have become more urgent as we address the ravages of the pandemic.
- Goal #4: Intergenerational Thriving: We strive to be a community that intentionally strengthens and provides support for all residents and for family members of all generations, including children, youth, and older adults.
- Goal #5: Welcoming & Safe Community: We strive to be a community where all residents feel safe and welcome and receive emergency help when they need it.

On February 22, 2022, the Board considered the recommendations in the table below for funding allocations totaling \$15,567,000 projected to remain available for allocation. Of the amount, \$8.833 million was one-time and \$6.734 million was on-going.

Table 1

Program Area	Request	Recommended Total	On-Going FY 2022/23	One-Time FY 2021/22
Goal #2: Equity in Action:				
Family Navigators	\$80,000	\$584,000	\$584,000	
Library Literacy Program	\$200,000	\$200,000	\$200,000	
Startup cost for the Library Foundation	\$50,000	\$50,000		\$50,000
Goal #3: Healthy Communities:				
Development of Additional Childcare Providers	\$1,600,000	\$1,500,000	\$1,500,000	
Library Building Improvements	\$8,300,000	\$4,000,000		\$4,000,000
Goal #4: Intergenerational Thriving:				
Early Childhood Education/Childcare	\$4,500,000	\$4,000,000	\$4,000,000	
Children with Disabilities/Childcare Provider Support	\$2,000,000	\$450,000	\$450,000	
Goal #5: Welcoming & Safe Community:				
County Facilities Deferred Maintenance	\$10,000,000	\$3,750,000		\$3,750,000
Refugee Resettlement Resources	\$1,000,000	\$1,000,000		\$1,000,000
Total Board Priorities:	\$27,730,000	\$15,534,000	\$6,734,000	\$8,800,000
Unallocated Resources:		\$15,567,000	\$6,734,000	\$8,833,000
Resources Remaining:		\$33,000	\$0	\$33,000

The Board adopted the funding allocations as recommended at the 2/22/22 meeting, leading to the current state for Measure X allocations listed in table 2 below. Through FY22-23, \$215M has been allocated for Measure X projects, and \$107M is currently allocated for FY23-24 and ongoing.

Table 2

Measure X Program Area	One-Time	FY 2022/23	Total Allocation	On-Going FY 2023-2024
Goal #1: Mental Well Being:				
CCRCM Psychiatric Emergency Services - 3,000 square feet Expansion	\$ 5,000,000		\$ 5,000,000	
A3 Contra Costa Community Crisis Initiative	\$ 5,000,000		\$ 5,000,000	\$ 20,000,000
EPSDT Leverage Fund for Children's Mental Health Services	\$ 3,250,000		\$ 3,250,000	
San Ramon Valley FPD Behavioral Health Crisis Response Pilot Program	\$ 740,200		\$ 740,200	
Goal #2: Equity in Action:				
Innovation Fund (Pilots and Innovative Projects)	\$ 2,000,000		\$ 2,000,000	
Racial Equity and Social Justice	\$ -	\$ 600,000	\$ 600,000	\$ 1,200,000
Arts and Culture Programs	\$ -	\$ 250,000	\$ 250,000	\$ 250,000
Language Access Equity for Measure X Meetings	\$ 50,000	\$ 25,000	\$ 75,000	\$ 25,000
Measure X Needs Assessment Report Writer	\$ 20,000		\$ 20,000	
Family Navigators		\$ 584,000	\$ 584,000	\$ 584,000
Library Literacy Program		\$ 200,000	\$ 200,000	\$ 200,000
Startup cost for the Library Foundation	\$ 50,000		\$ 50,000	
Goal #3: Healthy Communities:				
Contra Costa Regional Medical Center		\$ 40,000,000	\$ 40,000,000	\$ 40,000,000
CCRCM Medical Clinic and Office Complex - 40,000 square feet	\$ 30,000,000		\$ 30,000,000	
New Public Health Lab - 15,000 square feet	\$ 25,000,000		\$ 25,000,000	
CCRCM Parking Structure - 325 spaces	\$ 15,000,000		\$ 15,000,000	
CCRCM Interventional Radiology - 5,000 square feet	\$ 5,000,000		\$ 5,000,000	
Local Housing Trust Fund		\$ 10,000,000	\$ 10,000,000	\$ 12,000,000
Permanent Supportive Housing (Net of Match)	\$ 5,200,000		\$ 5,200,000	
CC CARES - Expanded/Comprehensive Healthcare for Uninsured		\$ 750,000	\$ 750,000	\$ 750,000
Development of Additional Childcare Providers		\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Library Building Improvements	\$ 4,000,000		\$ 4,000,000	
Goal #4: Intergenerational Thriving:				
County Youth Centers - East and Central County	\$ 10,000,000	\$ 1,750,000	\$ 11,750,000	\$ 3,500,000
Accessible Transportation Strategic Plan Implementation	\$ -	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
Master Plan for Aging/Local Community Based Aging Services	\$ 250,000	\$ 1,000,000	\$ 1,250,000	\$ 2,000,000
Early Childhood Education/Childcare		\$ 450,000	\$ 450,000	\$ 450,000
Children with Disabilities/Childcare Provider Support		\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Goal #5: Welcoming & Safe Community:				
East County Fire – Build/Reopen and Staff Fire Stations (via annexation)	\$ 17,200,000		\$ 17,200,000	\$ 3,500,000
Contra Costa County Fire - Reopen and Staff Fire Stations	\$ 1,600,000	\$ 3,500,000	\$ 5,100,000	\$ 3,500,000
Fire/Wildland Mitigation/Fuel Reduction		\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
Pinole Fire – Increase Service (via contract or annexation)		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Body Worn and In-Car Cameras - Sworn Staff	\$ 720,000	\$ 1,841,000	\$ 2,561,000	\$ 1,841,000
Climate Sustainability-Sustainability Trust Public Works Projects		\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Climate Equity and Resilience Investment in Conservation/Development		\$ 500,000	\$ 500,000	\$ 500,000
Community Based Restorative Justice	\$ 2,000,000		\$ 2,000,000	
Illegal Dumping Initiative		\$ 600,000	\$ 600,000	\$ 600,000
Sales Tax Consulting Administrative Expense	\$ 65,000	\$ 200,000	\$ 265,000	\$ 200,000
County Facilities Deferred Maintenance	\$ 3,750,000		\$ 3,750,000	
Refugee Resettlement Resources	\$ 1,000,000		\$ 1,000,000	
Totals	\$ 136,895,200	\$ 78,150,000	\$ 215,045,200	\$ 107,000,000

Measure X Financials

As shown in Table 3 below, the actual Measure X revenues collected from inception through November 1, 2022 total \$165M, compared to a total budget of \$235M expected by June 30, 2023. The County's tax consultant projects \$115.6M in Measure X revenues for the current fiscal year, which would bring the total anticipated revenues to approximately \$260.9M. While the amount is higher than budgeted, it is worth noting that this annual amount would be a decrease in revenue collected compared to the prior fiscal year's \$117.7M, and it is projected to further decrease to \$114.9M in FY23-24; an economic downturn is forecasted, and potential budgetary challenges are on the horizon.

Table 3

Measure X actual revenues through 11/1/22		
	Budget	Actuals
FY20-21	\$ 24,078,616	\$ 27,659,018
FY21-22	\$ 104,000,000	\$ 117,721,524
FY22-23 YTD	\$ 107,000,000	\$ 19,647,653
	\$ 235,078,616	\$ 165,028,195

Budgeted allocations and actual expenditures for Measure X projects are listed in Table 4. In accordance with the related Board policy adopted in November 2021, \$20M has been allocated and funded for a Measure X Reserve. \$235M has been obligated through FY22-23 for one-time and ongoing projects, with the allocations essentially matching the total budgeted revenues for the same period. Actual expenditures through 11/1/22 total \$13.67M, which is low compared to budget, but not surprising given that many new programs and projects are being established and are in their initial implementation stages. The pace of expenditure is expected to increase as projects and programs ramp up, most of which are related to ongoing services.

Table 4

Measure X expenditures through FY22- 23			
	Budget		Actuals
Reserve	\$	20,000,000	\$ 20,000,000
One-time	\$	136,895,200	
FY22-23 YTD	\$	78,150,000	\$ 13,668,884
	\$	235,045,200	\$ 33,668,884

Recommendation for cost of living adjustments (COLAs) for Measure X allocations

Given that many of the Measure X allocations are ongoing, the County Administrator's Office (CAO) recommends that the Board consider authorizing the CAO to apply cost of living adjustments to the Measure X funded projects during each annual budget cycle, including for Fiscal Year 2023-2024. The estimated cost of applying a 5% COLA to ongoing allocations for that first year would total approximately \$5.3M, as shown in Attachment 8. Adding the COLA to the Measure X FY23-24 base budget would total to \$112.3M, which is near and well within the margin of error for the tax consultant's projected revenue of \$114.9M. For future years, the CAO would recommend appropriate COLA amounts based on overall County revenues, projected expenditure levels, and Board direction.

Measure X projects updates and performance measures

Today's discussion will include presentations on project updates and performance measures from the four major departments that have significant Measure X allocations, including Health Services, Employment and Human Services, Conservation and Development, and Contra Costa Fire, plus a summary by CAO for other departments. More details on the status of funded Measure X projects and related expenditures are provided in the project summary document (Attachment 1) and department presentations (Attachments 2-6).

CONSEQUENCE OF NEGATIVE ACTION:

Decreased service levels for existing Measure X allocations providing services to the residents of Contra Costa County.

CLERK'S ADDENDUM

Speakers;

Written commentary provided by: 40 Voices Initiative; C.O.P.E. Family Support Center

RECEIVED report on Measure X project updates and revenue received.

ATTACHMENTS

Attachment 1 - Measure X Projects Status Report

Attachment 2 - Health Services Presentation

Attachment 3 - EHSD Presentation

Attachment 4 - DCD Presentation

Attachment 5 - Contra Costa Fire Presentation

Attachment 6 - CAO Presentation

Attachment 7 - Measure X Performance Framework

Attachment 8 - Measure X COLA calculations