

25. Approve the Proposed 2025-26 Budget for Office of Response, Recovery and Resilience, including any supplemental materials, and take related actions, as outlined in the referenced budget documents, and as recommended by the County Executive Officer ()



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Office of Response, Recovery and Resilience

Subject: Proposed 2025-26 Budget for Office of Response, Recovery and Resilience

Meeting Date: June 4, 2025

Formal Title: Approve the Proposed 2025-26 Budget for Office of Response, Recovery and Resilience, including any supplemental materials, and take related actions, as outlined in the referenced budget documents, and as recommended by the County Executive Officer

Recommended Action

Approve the Proposed 2025-26 Budget for the Office of Response, Recovery and Resilience, including any supplemental materials, as provided in the referenced budget documents:

- [Proposed Budget](#)
- Presentation

Executive Summary

The Proposed 2025-26 Budget for the Office of Response, Recovery and Resilience (OR3) supports OR3 administration, Emergency Operations Center functions and Disaster Response readiness with funded staffing of 5.0 full-time equivalent (FTE) positions.

Discussion

The mission of the Office of Response, Recovery and Resilience (OR3) is to employ a comprehensive approach to manage the impacts of disasters and build resilience through community preparedness, climate change awareness and adaptation, hazard mitigation, coordinated response, and recovery. OR3 operational objectives are shown in the Proposed 2025-26 Budget document and 2025-27 Operational Plan. Both are available online at: www.SCCVision.us

The OR3 Proposed Budget includes negotiated salary and benefit increase as well as a change in facility charges to properly reflect the cost of facility services and utilities.

Anticipated reductions in Federal Emergency Management Agency (FEMA) Emergency Management and Hazard Mitigation (EMHM) grant funding remain uncertain due to ongoing federal discussions regarding FEMA's future. OR3 administers two annual FEMA pass-through grant programs from the State: the Emergency Management Performance Grant (EMPG), approximately \$170,000 annually, and the Homeland Security Grant Program (HSGP), approximately \$290,000 annually. These grants support emergency preparedness and resilience activities for OR3 and County partners. While current grant cycles remain intact, their long-term future is unclear. FEMA has canceled Phase 2 of all Building Resilient Infrastructure and Communities (BRIC) grants, for which the County was tentatively set to receive over \$20 million to support wildfire risk reduction. Phase 1 of the BRIC grant remains active; however, FEMA will not approve performance period extensions or scope modifications. OR3 will work to complete as much of Phase 1 as possible in the upcoming fiscal year.

Staffing of 5.0 FTE positions is status quo for Fiscal Year (FY) 2025-26.

Budgeted funding will continue to support ongoing staff work across OR3's three service areas. The OR3 Proposed Budget reflects the closure of several grant programs, including prior-year EMPG and HSGP awards. Completion of the USDA EWP Grant program is also anticipated this fiscal year. The budget includes a net increase of \$269,131 and a one-time decrease of \$871,913. This year's budget includes \$150,000 to support the Long-Term Recovery Group (LTRG), whose Volunteer Rebuild program continues to provide disaster recovery services to residents impacted by the CZU Fire and 2023 storms. In alignment with Board direction provided on December 10, 2024, funding has been added to support LTRG's disaster rebuild and case management work. OR3 also manages the County's FEMA Public Assistance cost recovery consultant contract. The budget includes an increase of \$30,491 to support this contract.

OR3 continues to lead critical efforts in emergency preparedness, climate resilience, hazard mitigation, disaster recovery, and emergency response. The OR3 Proposed Budget reflects ongoing work across all of these areas. OR3 will also continue to pursue and leverage state and federal grant opportunities to maximize impact on behalf of the community and the County's Operational Area.

In FY 2025-26, the department will focus on supporting the implementation of Measure Q, completing the County's first Multi-Jurisdictional Local Hazard Mitigation Plan update, and delivering completed projects associated with the USDA EWP program. OR3 will also continue to advance climate resilience efforts both within County operations and in the broader community, while expanding outreach and education on emergency preparedness, climate resilience, and hazard mitigation.

Financial Impact

The OR3 Proposed Budget includes \$9,962,536 in expenditures, offset by \$6,895,036 in revenues, a \$2,467,500 General Fund contribution, and a \$600,000 District Sales Tax contribution. This represents a total expenditure decrease of \$745,696, or 7%, compared to the FY 2024-25 Adopted Budget.

Strategic Initiatives

Equity Framework - County Facilities & Infrastructure, Plans, Policies & Budgets
Operational Plan - Comprehensive Health & Safety, Sustainable Environment, Operational Excellence
Climate Action - Energy, Natural & Working Lands, Wildfire Prevention

Submitted By:

David Reid, Director

Recommended By:

Carlos J. Palacios, County Executive Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.



Dept. Name

2025-26

Proposed Budget

Dave Reid, Director
Office of Response,
Recovery & Resilience

June 4, 2025



Presentation Overview



Our Mission



How We are Organized



Budget Overview



Fiscal & Staffing Details



Federal/State risks & Emerging Issues



Request & Questions



Our Mission

OR3 employs a comprehensive approach to manage the impacts of disasters and build resilience through community preparedness, climate change awareness and adaptation, hazard mitigation, coordinated response, and recovery.



Exhibit 1: Achieving Resilience Throughout All Phases of Emergency Management

Sections & Services



OR3 ADMIN

Services:

- OR3 Staffing & Admin
- Grants application, implementation and tracking
- CAAP implementation
- Emergency Management Organizational Functions
- Project Management (ex: Big Basin Sewer, USDA EWP, BRIC)
- Recovery Support – IA/PA



EOC MANAGEMENT

Services:

- Administrative & Operational functions of EOC
- Software Technologies to Support EOC Operations
- Emergency Management Consultant Contracts



EVENT RESPONSE

Services:

- Disaster response & recovery operations
- Stand-by Contracts
- DSW coordination
- Individual & public assistance coordination & management



PROGRAM FUNDS*

Programs/Projects:

- Measure Q
- USDA EWP
- EPA Grant
- BRIC Grant
- DWR – Big Basin

*Programs & Projects under OR3 Admin Budget Area

Office of Response Recovery & Resilience

Summary of Proposed Budget

	2024-25 Adopted	2025-26 Proposed	Amount of Change	Percent Change
Revenues	\$7,820,653	\$6,895,036	\$-925,617	-12%
Expenses	\$10,708,232	\$9,962,536	\$-745,696	-7%
District Sales Tax Contribution	\$600,000	\$600,000	\$600,000	0%
General Fund Contribution	\$2,287,579	\$2,467,500	\$179,921	8%
Funded Staffing	5.00	5.00	0.00	0%

Major Budget Changes from Adopted Revenues

	Amount	Title of change in revenue
↓	\$ 177,757	Emergency Management Performance Grant (closeout)
↓	\$ 296,522	Homeland Security Grant (closeout)
↓	\$ 871,913	Prior Year USDA Emergency Watershed Protection Grant

Major Budget Changes from Adopted Expenses

	Amount	Title of change in expenditure/expense
↑	\$ 150,000	Professional Support for Long-term Recovery Group
↑	\$30,491	Professional Support for Disaster Cost Recovery
↑	269,131	Professional Support for Emergency Watershed Protection Grant
↓	\$122,024	Salaries and benefits

State & Federal Funding Risks

- BRIC Phase 1 – Intact, No Extensions, No scope modifications allowed
- BRIC Phase 2 – Cancelled
 - \$20M+ LOST
 - Wildfire Risk Reduction
- **AT RISK:**
 - Emergency Management Performance Grant Program
 - Annual Grant Program
 - Homeland Security Grant Program
 - Annual Grant Program
 - Hazard Mitigation Grant Program

RESILIENT COMMUNITIES

The FEMA BRIC program is a valuable funding source for resiliency projects



Emerging Opportunities, Issues & Challenges

- Measure Q Implementation
- PROP 4 State Funding Opportunities
- Federal Grant Programs for Resilience, Recovery and Hazard Mitigation Risk
- CAAP Implementation – Local, State and Federal Grant capacity
- Project Management for Large Grant Projects
- Disaster Response & Recovery
- FEMA-PA Cost Recovery



Office of Response, Recovery & Resilience

Approve the Proposed Budget for the Office of Response, Recovery & Resilience Department, including any Supplemental Materials, which includes:

- Revenues of \$6,895,036
- Expenses of \$9,962,536
- General Fund Contribution of \$2,467,500
- District Sales Tax Contribution of \$600,000
- Staffing of 5.0 funded FTEs

