



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: October 21, 2014

TO: Mayor and Councilmembers

FROM: Administration, Housing and Human Services Division, Community Development

SUBJECT: Review Of Fiscal Year 2016 Human Services And Community Development Block Grant Funding Priorities, Application Release And Funding Process

RECOMMENDATION: That Council:

- A. Review and provide input and direction to the Community Development and Human Services Committee (CDHSC) on proposed funding priorities for the Fiscal Year 2016 Human Services and Community Development Block Grant allocation process;
- B. Authorize staff to release the Fiscal Year 2016 funding application along with the committee application review process, criteria and schedule; and
- C. Establish a funding commitment for Fiscal Year 2016 from the General Fund in the amount of \$655,000 for the Human Services Program.

EXECUTIVE SUMMARY:

Annually, Council reviews funding priorities, approves the application criteria and schedule, and determines funding availability before applications are made available for Community Development Block Grant (CDBG) and Human Services funds. Pending Council approval, applications for Fiscal Year 2016 grants are scheduled to be released on November 10, 2014. Funding recommendations will be presented to Council by the Community Development Human Services Committee (CDHSC) in late March 2015.

Based on the successful implementation of the grant process over the past years, it is important that distinct, established application criteria and funding priorities be available for use by applicants, staff and the CDHSC. Council now has the opportunity to provide direction to the CDHSC and/or to change the priorities for the upcoming grant year.

DISCUSSION:

Background

Each year since 1974, the City of Santa Barbara has received Community Development Block Grant (CDBG) funds for activities that meet one of three statutory objectives: 1) primarily benefit low and moderate-income persons; 2) eliminate/prevent slums or blight; or 3) meet other urgent local community development needs.

The U.S. Department of Housing and Urban Development (HUD), which administers the CDBG program, also requires that CDBG-funded activities provide low- and moderate-income persons with: 1) decent housing; 2) a suitable living environment; or 3) expanded economic opportunities. Council sub-awards CDBG funds annually to non-profit organizations and City Departments to undertake activities that meet these objectives.

CDBG is primarily a bricks and mortar program and the largest portion of the funds must be used for "Capital" projects; however, a small portion of CDBG funds (no more than 15% of annual allocation) may be expended on "Public Service" activities.

In addition to CDBG, Council grants City Human Services funds to local agencies that provide essential social services to City of Santa Barbara residents. The City Human Services fund is allocated by Council annually, and is augmented with CDBG "Public Service" funds. Both CDBG and Human Service funds are allocated concurrently using a single application.

For Fiscal Year 2015, \$759,165 in Human/Public Services funds have been allocated to 45 programs: \$640,821 from City's Human Services funds; the remaining \$118,198 from CDBG Public Service funds. Also, \$469,812 in Capital funds has been allocated for four construction/rehabilitation projects and one economic development program. (See Attachment 1: Fiscal Year 2015 CDBG/Human Service Funding Overview).

Community Development Human Services Committee (CDHSC)

The CDHSC, a Council-appointed committee, evaluates proposals, interviews applicants, and makes funding recommendations to Council who then makes the final decisions on funding.

Throughout the year the CDHSC also monitors grantees' performance, conducts site visits of grantees, reviews mandatory HUD reports, holds public hearings, discusses issues and provides input on community development and human services needs throughout our community.

The thirteen-member CDHSC includes representatives from the following groups:

- Youth-Oriented Services
- Business Community/Economic Development
- Human Services Organization
- Latino Community
- African American Community
- Senior Community
- Housing Interests
- Four (4) Low-Income Neighborhoods: Eastside; Westside; Downtown; Lower Westside
- Disabled Community
- Housing Authority

Funding Priorities

Each year Council establishes the priorities for Human/Public Services funds for the CDHSC to follow. Council previously adopted the following Public/Human Services priorities:

1st Priority - Programs which help meet basic human needs **and/or** reduce the community impact of homelessness **and/or** reduce the community impact of gang violence via a formal collaboration with the South Coast Task Force on Youth Gangs; and

2nd Priority - Proposals that are preventative in nature and/or promote the highest degree of functioning the individual is capable of achieving.

Council also previously adopted the following priorities for CDBG proposals:

- Proposals which facilitate housing for low and moderate-income persons;
- Proposals which revitalize downtown neighborhoods (Census Tracts 8.01, 8.02, 9, 10, 11.02 and 12.04);
- Proposals which strengthen or expand public or social service agencies that facilitate low and moderate-income housing; and
- Economic development proposals, which leverage financial resources to create or retain jobs for low and moderate-income persons.

Staff does not recommend changes to the priorities at this time.

HUD mandates that every 5 years the City develop a Consolidated Plan (ConPlan) for use of CDBG funds. As part of the development of the next 5-year ConPlan, which is due May 15, 2015, the CDHSC held a public hearing on Housing and Community Development Needs.

At this hearing, held on September 23, the CDHSC heard public input regarding current community needs, which included the need for more affordable housing; the need for prioritization for youth education programs; and the need for the continued allocation of public funds to service-providing organizations to help them leverage private funds. These needs and others will be considered during the development of the ConPlan.

Application-Submittal Process and Review

The application criteria previously adopted by Council can be found on Attachment 2 of this report. Staff has revised some of the criteria language for clarification purposes only; otherwise there are no recommended changes for Fiscal Year 2016.

Upon Council's authorization, funding applications will be available on-line on November 10, 2014 and will be due on December 16, 2014. Applicants will have over a month to prepare and submit their applications. Interviews will be held throughout February 2015, and funding recommendations are tentatively scheduled to come before Council on March 24, 2015. The full application schedule is on Attachment 3.

A mandatory application orientation/technical assistance workshop will be held November 6, 2014. At the workshop, staff will review the application-submittal process, and discuss Measurable Outcomes in-depth. Staff will also be available to all applicants during City business hours to provide further guidance and answer questions via email, in person or by telephone. In addition, staff will post detailed "FAQ" information on the City website.

To encourage maximum participation in the application process and attendance at the orientation/workshop, an announcement will be mailed and e-mailed to all agencies that have expressed an interest in applying or have applied for funding in the past two years. In addition, an advertisement of the funding availability will appear in the *Santa Barbara News Press*; a press release will be issued; and an announcement will be posted on the City's website and the City News In Brief newsletter.

The applications will be completed and submitted on-line using the web-based grant management program "ZoomGrants". Using this program, City staff will have immediate online access to applications submitted before the deadline in order to review them and provide feedback. This gives early applicants the opportunity to correct any errors prior to the due date. The CDHSC will also have on-line access to applications to review and analyze each proposal throughout January, prior to the applicant interviews.

BUDGET/FINANCIAL INFORMATION:

Fiscal Year 2016 CDBG Funding

After recent years of significant cuts to CDBG funds, the City's CDBG allocation remained relatively level during the last two fiscal years at just under \$789,000.

Given the continued adversarial climate in Washington, staff cannot at this time estimate the amount of new entitlement funds the City will be awarded for Fiscal Year 2016. However, the CDHSC makes contingency plans to its recommendations to Council that account for increases or decreases in CDGB funds.

Fiscal Year 2016 Human Services Funding and Allocation (General Fund)

Council has previously expressed a desire to increase Human Services funds by 3% each year to account for inflation; however, as a result of economic challenges, Council has approved level funding in the amount of \$703,256 each year from Fiscal Year 2009 through Fiscal Year 2014. Of this amount, \$75,000 has been set aside to pay the City's share of staffing costs associated with the Central Coast Collaborative on Homelessness (C3H), making the total available \$628,256.

In Fiscal Year 2015, Council approved a 2% increase to the Human Services fund increasing the total available to \$640,821. During the Fiscal Year 2015 budget surplus discussions that were held on June 2, 2014, Council members expressed interest in increasing the Human Services fund by a higher amount during the next budget cycle, as the individual grants had already been approved for the year.

Staff is recommending a 3% (\$19,179) increase for Fiscal Year 2016, which is the amount increased during the years prior to the recession when there was normal growth in General Fund revenues. This would equal \$660,000, and it would bring the fund closer to the \$703,256 that was available before \$75,000 was removed to support the Central Coast Collaborative on Homelessness in Fiscal Year 2013. If Council wishes to increase this allocation by a larger amount, now would be the time to do so.

- ATTACHMENT(S):**
1. CDBG/HS Funding for Fiscal Year 2014 by Priority, Rating and Category
 2. CDHSC Combined Funding Application Criteria, Review and Interview Process
 3. Proposed Fiscal Year 2016 Application Schedule

PREPARED BY: Liz Stotts, Community Development Programs Specialist/DR

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office

PUBLIC/HUMAN SERVICE CATEGORY				Grant Amount		
Organization Name	Proposal Title	Service Type	Avg. Score	Human Service	CDBG	Total
PRIORITY 1						
Casa Esperanza Homeless Center	Jail Discharge Program*	Homeless	90.80	\$12,500		\$12,500
Pacific Pride Foundation	Necessities of Life Food Pantry	Food	90.00	\$25,000		\$25,000
Sarah House Santa Barbara	Sarah House	Other	90.00	\$20,000		\$20,000
Foodbank	Warehouse Operations	Food	89.50	\$25,000		\$25,000
Youth and Family Services CIYMCA	Noah's Anchorage	Housing	89.29	\$20,000		\$20,000
Santa Barbara Neighborhood Clinics	Dental Care for the Homeless	Homeless	88.67	\$25,000		\$25,000
Youth and Family Services CIYMCA	Transitional-age Youth Housing	Housing	88.13	\$20,000		\$20,000
Foodbank	Senior Brown Bag Program	Food	88.00	\$7,000		\$7,000
Unitarian Society (Fiscal Umbrella)	Freedom Warming Centers	Homeless	88.00	\$15,000		\$15,000
Casa Esperanza Homeless Center	Shelter & Community Kitchen	Homeless	87.17	\$39,000	\$51,000	\$90,000
Domestic Violence Solutions	Emergency Shelter	Emergency	86.38	\$8,821	\$24,198	\$33,019
Domestic Violence Solutions	DVS Second Stage	Housing	85.50	\$7,000		\$7,000
Santa Barbara County DA's Office	Sexual Assault Response Team	Emergency	85.00	\$7,000		\$7,000
Community Action Commission	Healthy Senior Lunch	Seniors	83.71	\$10,500		\$10,500
Carrillo Counseling Services, Inc.	Safe Parking Program	Homeless	83.43	\$13,000		\$13,000
WillBridge of Santa Barbara, Inc.	WillBridge of Santa Barbara, Inc.	Homeless	82.13	\$22,000		\$22,000
Transition House	Comprehensive Homeless Services	Homeless	81.50	\$0	\$43,000	\$43,000
St. Vincent's	Family Strengthening Program	Housing	81.33	\$8,000		\$8,000
Council on Alcoholism and Drug Abuse	Project Recovery Detox Program	Other	81.00	\$16,000		\$16,000
SB Community Housing Corp	Riviera Life Skills/Trans. Coord.	Housing	80.00	\$14,500		\$14,500
Planned Parenthood	Rita Solinas Patient Assist. Fund	Health	79.86	\$7,000		\$7,000
Peoples' Self-Help Housing	Housing the Homeless	Housing	79.00	\$5,000		\$5,000
SB Community Housing Corp	Faulding Case Coord./Life Skills	Housing	79.00	\$12,000		\$12,000
City of Santa Barbara Parks and Rec.	Youth Employment Training	Youth	75.13	\$10,000		\$10,000
Surgical Eye Expeditions (SEE) Int.	Vision Care Program	Health	74.00	\$9,000		\$9,000
City of Santa Barbara Parks and Rec.	Santa Barbara Arts Alliance	Youth	71.25	\$5,000		\$5,000
PRIORITY 2						
Child Abuse Listening Mediation	Prevention, Intervention, Treatment	Children	93.88	\$25,000		\$25,000
Santa Barbara Rape Crisis Center	Santa Barbara Rape Crisis Center	Other	88.80	\$32,000		\$32,000
Rental Housing Mediation Task Force	Rental Housing Mediation Task Force	Other	87.67	\$25,000		\$25,000
Future Leaders of America	Youth Leadership and Education	Youth	87.14	\$12,000		\$12,000
Family Service Agency	Ombudsman Proposal	Seniors	86.29	\$19,000		\$19,000
Mental Health Association	Recovery Learning Center - Fellowship Clt	Other	85.71	\$10,500		\$10,500
Boys & Girls Club of Santa Barbara	Power Hour Homework	Children	85.43	\$15,000		\$15,000
Family Service Agency	Big Brothers Big Sisters	Children	85.29	\$9,000		\$9,000
Storyteller Children's Center	Storyteller Children's Center/Master Teac	Children	85.17	\$25,000		\$25,000
Legal Aid Foundation	Emergency Legal Services	Emergency	84.57	\$30,000		\$30,000
Teddy Bear Cancer Foundation	Assistance for Families with Pediatric Can	Other	84.33	\$7,000		\$7,000
Friendship Adult Day Care Center, Inc.	Adult Day Services Program	Seniors	83.43	\$15,500		\$15,500
Family Service Agency	Senior Services Program	Seniors	83.29	\$5,000		\$5,000
Transition House	Homelessness Prevention Program	Homeless	82.60	\$8,500		\$8,500
Family Service Agency	Family Resource Centers	Other	81.86	\$5,500		\$5,500
Academy of Healing Arts - AHA!	Attitude, Harmony, Achievement	Youth	81.38	\$11,000		\$11,000
Carrillo Counseling Services, Inc.	New Beginnings Counseling	Other	80.71	\$7,500		\$7,500
Jodi House Brain Injury Support Center	Jodi House Program Support	Other	80.71	\$10,000		\$10,000
Center for Successful Aging	Senior Peer Counseling/CareLine Program	Seniors	77.57	\$5,000		\$5,000
TOTALS				\$640,821	\$118,198	\$759,019

* Program discontinued

CAPITAL/ECONOMIC DEVELOPMENT - CDBG ONLY				
Organization Name	Proposal Title	Service Type	Avg. Score	CDHSC Recommend
City of Santa Barbara Parks and Rec.	Westside Ctr ADA Restroom Rehabilitatio	Capital	90.80	\$149,282
City of Santa Barbara	Voluntario Street Access Ramps	Capital	90.20	\$140,000
Girls Incorporated	Girls' Bathroom Remodel	Capital	89.00	\$33,653
Women's Economic Ventures	Self Employment Training	Capital	77.33	\$45,316
City of Santa Barbara Parks and Rec.	Parque de los Ninos Renovation Project	Capital	75.40	\$101,561
TOTALS				\$469,812

ADMINISTRATION - CDBG ONLY	
CDBG Administration	\$225,902
Fair Housing	\$11,890
TOTAL	\$237,792

CDBG Entitlement	\$788,961	Human	Total
CDBG Reprogram	\$36,987	Services	
Total CDBG	\$825,948	\$640,821	\$1,466,769

TOTAL PUBLIC/HUMAN SERVICES BY CATEGORY	
Service Type	Human Services Funding
Emergency	\$70,019
Food	\$57,000
Homeless	\$229,000
Housing	\$86,500
Children	\$74,000
Youth	\$38,000
Seniors	\$55,000
Other	\$133,500
Health	\$16,000

**COMMUNITY DEVELOPMENT HUMAN SERVICES COMMITTEE
CDBG/HS COMBINED FUNDING APPLICATION CRITERIA**

- Proposed programs/projects should primarily benefit low and moderate-income residents.
- Applicants must be tax-exempt 501(c)(3) organizations or local units of government whose proposals directly benefit low- and moderate-income City of Santa Barbara residents.
- Proposals must address specific social or physical needs and conditions of the people they propose to serve. Documentation could include social indicators, demographic data, surveys, community plans and need as perceived by potential consumers.
- Proposals must present a marketing strategy, which includes specific efforts to reach ethnic communities.
- Proposals must demonstrate support from the people for which the program is proposed.
- Applicants must clearly identify all funding sources and justify their proposal if services are available through another source.
- Applicants shall seek funding, or demonstrate funding support from other public/private sources. The City shall not be committed to total support of a program, nor shall the City be committed to continue funding in the case where other support is withdrawn.
- City CDBG/HS funds shall support only those services that directly benefit residents of the City of Santa Barbara. Programs operated on a countywide or regional basis must show documentation that: (a) services benefit City residents, and (b) sufficient funds are available to support non-city residents.
- Administrative costs shall be held to a minimum and will be scrutinized during the application-review process.
- Proposals shall identify geographical areas where they propose to provide services.
- Proposals that pay the local minimum wage (as described in Chapter 9.128 of the City of Santa Barbara Municipal Code) to all staff for which CDBG/HS funds are requested shall receive an extra point in the rating process.

COMMUNITY DEVELOPMENT AND HUMAN SERVICES COMMITTEE PROPOSAL REVIEW AND INTERVIEW

A thirteen-member committee appointed by the City Council will review submitted proposals, interview applicants and make funding recommendations to the City Council. The City Council makes final decisions on funding. The Community Development and Human Services Committee include representatives of the following groups:

- Youth-Oriented Services
- Business/Economic Development Community
- Human Services
- Latino/Hispanic Community
- African American Community
- Senior Citizens
- Housing Interests
- Four (4) Low Income Neighborhoods: Eastside, Westside, Downtown, and Lower Westside
- Disabled Community
- Housing Authority Representative

At the scheduled interview, applicants will be allowed a 4-minute presentation, with 10 minutes for questions from the Committee, and a one minute applicant response/final statement. Applicants must have a member of the Board of Directors and appropriate staff present at the interview.

To ensure that verbal presentations made by applicants are accurate and reasonable, applicants are advised that information provided to the Committee is an important factor in formulation of specific funding recommendations; furthermore, statements made by an applicant upon which the Committee relies in making a funding recommendation shall become binding and included as part of any contract which may be executed. Applicants should come prepared to justify their proposal within the priorities outlined previously.

Applicants are further advised that the Committee may request additional information on any part of the proposal after the scheduled interview. Applicants will be required to respond in writing within 2 days of such request.

In reviewing applications, the following evaluation criteria are used by the CDHSC:

- **Agency:** Track record/past performance, salaries too high or too low, large wage disparity between management staff and program staff;
- **Board:** Composition, role, diversity, and level of involvement;
- **Program:** Bi-cultural/bi-lingual staff, quality of service, staff capacity (training/experience), program corresponds with the agency's mission, level of program monitoring;

- **Measurable Outcomes:** Programs must identify realistic, measurable results or changes that a client will experience from receiving the service;
- **Need:** Duplication of service, collaboration with other agencies, composition/diversity of clients, target population, funding request corresponds to the number of clients served; and
- **Finances:** Agency revenue/expenses, percentage of funding sources secured, diversity of funding sources, overreliance on City funds, high amount of year-end excess or deficit funds, significant increase or decrease in request from prior year, assets and financial stability of the organization.

For Capital proposals, these additional categories are evaluated:

- **Project Need:** Whom will benefit from the project; clear identification of need; will project satisfy demonstrated need, does the project align with the mission.
- **Project Cost:** Itemized cost estimate from a contractor; reasonableness; can project be completed without full City funding; leveraging of other funding.

City of Santa Barbara
2015-2019 Consolidated Plan Schedule and
CDBG/HS Funding Schedule FY 2015-2016

Month	Event	Date
SEPTEMBER	Public Hearing on Community Needs	Tues., Sept. 23, 2014
OCTOBER	Council Action on Application	Tues., Oct. 21, 2014
NOVEMBER	<u>Mandatory</u> - Application Orientation and Technical Assistance Workshop David Gebhard Meeting Room - Community Development 630 Garden Street	Thurs., Nov. 6, 2014 2 p.m. – 4 p.m.
	Application Available On-line	Mon., Nov. 10, 2014
DECEMBER	<u>Applications Due</u> Late applications cannot be submitted or accepted – website locked at 4:30 p.m.	Tue., Dec. 16, 2014 4:30 p.m.
	Applications available to CDHSC	Mon., Jan. 12, 2015
JANUARY – FEBRUARY	Applicant Interviews - evenings	Jan. 29; Feb. 3; 5; 10, 12, 2015
	CDHSC Meeting to Rank Applications	Thurs., Feb 12, 2015 6 p.m.
FEBRUARY	CDHSC Subcommittee Formulates Recommendations	Fri., Feb. 20, 2015
	CDHSC Meeting to Vote on Recommendations	Tues., Feb. 24, 2015
	Funding Recommendations Available to Public	Mon., March 2, 2015
	Consolidated and Action Plan Public Notice	Tues., March 10, 2015
MARCH	City Council Public Hearing on Committee Recommendations and Possible Council Action Council Chambers – 735 Anacapa St.	Tues., March 24, 2015 6 p.m. (tentative date)
	Consolidated and Action Plan Draft Due and Public Review Starts	Wed., March 25, 2015
	Environmental Reviews Start	Ongoing April 2015
APRIL	Consolidated and Action Plan Public Review Period Ends	Fri., May 8, 2015
MAY	Consolidated and Action Plan Due	Fri., May 15, 2015
JUNE	Execution of Contracts	Ongoing June 2015
JULY	Contract Period	July 1, 2015 – June 30, 2016