

CONSENT AGENDA
ITEM NO. **23**

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
DEPARTMENT OF COMMUNITY INITIATIVES**

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives

THROUGH: Terry M. Brechtel, City Manager

COPIES: Frances A. Gonzalez, Assistant City Manager; Finance Department; City Attorney's Office; Office of Management & Budget; File

SUBJECT: Ordinance authorizing the acceptance of grants, the appropriation and use of CD5 Human Development Services Funds and General Funds as match funding and the execution of an agreement with the ACCD Foundation to support the Individual Development Account program.

DATE: February 19, 2004

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the acceptance of grants awarded by Frost Bank for \$10,000, Goodwill Industries of San Antonio for \$5,000, Bank One and the San Antonio Housing Trust for \$5,000 and the Annie E. Casey Foundation for \$2,500. It also authorizes the use of \$5,000.00 from Council District 5 Human Development Service Funds and the use of \$20,000 from the Department of Community Initiatives (DCI) General Fund budget to be used as match funding for the Assets for Independence Individual Development Account (IDA) Program. In addition it authorizes the City of San Antonio to enter into a Memorandum of Agreement (MOA) with the Alamo Community College District Foundation (ACCDF) for payment of up to \$75,000 as IDA match for the Families SAVE IDA program. This ordinance also amends the Family SAVE budget.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

For the past three years, DCI has operated the Families SAVE IDA program through the Assets for Independence Act (AFIA) grant from the U.S. Department of Health and Human Services (HHS.) This grant targets low-income working families and matches their personal savings through IDAs for the purpose of first-time home ownership or attaining higher education. Financial partners of the Families SAVE Program include: Frost Bank, Wells Fargo and Security Services Federal Credit Union.

City residents at or below 200 percent of the Federal Poverty Level (\$36,800 for a family of four) may enroll in the IDA program and are able to save up to \$750, which is matched at a four to one ratio using IDA fund dollars. Upon enrollment in the IDA program, participants establish a savings goal and identify an amount they will contribute on a monthly basis. Participants also complete six hours of basic financial literacy prior to opening their savings account. In order to promote savings as a family strengthening economic practice, they are required to make deposits for a minimum of six months and

participate in at least six additional hours of asset specific financial literacy training before withdrawing the funds for the intended purpose.

The DCI Families SAVE IDA program has received cash donations from the following community partners:

Contributor	Dollar Amount
Frost Bank	\$10,000
Goodwill Industry	\$5,000
Bank One & San Antonio Housing Trust	\$5,000
Annie E. Casey Foundation	\$2,500
TOTAL	\$22,500

In May 2003, Council District 5 Human Development Service Funds of \$5,000 were committed to the DCI Family SAVE program. This funding will be used as match funding for IDAs as college scholarships for eligible students residing in Council District 5 attending Burbank High School. This ordinance authorizes the appropriation of those funds.

Through this ordinance DCI will appropriate \$20,000 from its General Fund budget to the Family SAVE program. These dollars will be available to all San Antonio residents who are eligible for the IDA program.

The \$47,500 combination of cash donations (\$22,500) and appropriated dollars (\$25,000) will be used as match funds for the AFIA grant. These funds will leverage an additional \$47,500 from HHS for the IDA program. These dollars will help an estimated 161 San Antonio residents build assets that will allow them to achieve home ownership or higher education goals.

The ordinance will also authorize the City to enter into a MOA with the Alamo Community College District Foundation (ACCDF) to accept match payments of up to \$75,000 for eligible students who attend an ACCD college. ACCDF will reimburse the Families SAVE IDA Fund once a student has met their IDA goal and has enrolled in the ACCD.

The attached budget supports a personnel complement of two employees, which is unchanged from the previous year. One Management Analyst and one Caseworker II (currently vacant) recruit, enroll and counsel participants as well as monitor and manage the program.

POLICY ANALYSIS

This ordinance is a continuation of existing City policy to utilize grant and General Fund resources to support the City's Human Development core issue of Family Strengthening by assisting low income residents to build and retain personal assets that increase family security or improve the individual's earning ability through higher education

The Individual Development Account program also contributes significantly to family economic success by increasing the financial literacy of participants, thereby impacting future families and generations. By working with multiple partners and funding sources and helping participants achieve the goals of saving and increasing financial literacy, IDAs transform the system by which participants can become first-time home owners or finance higher education.

Cumulative performance measures for the IDA program as of December 31, 2003 are as follows:

	Fiscal Year 2003	Fiscal Year 2004 Y-T-D
Number of Participants	135	161
Education Goal	38	48
Home Ownership Goal	61	91
Micro Enterprise Goal*	22	22
Number Completed	14	14

* Discontinued but current participants may complete

FISCAL IMPACT

This ordinance authorizes the acceptance of \$22,500 in grants from four organizations and up to \$75,000 in payments from the ACCDF as IDA match. It also authorizes the use of \$5,000 of CD5 Human Development Services Funds and the use of \$20,000 from DCI's approved General Fund budget in order to support the IDA program. The use of these additional funds and the receipt of contributions require that the Families SAVE budget be revised to allow for the increased funding.

Other than the \$20,000 transfer of previously budgeted General Funds, there is no other General Fund commitment.

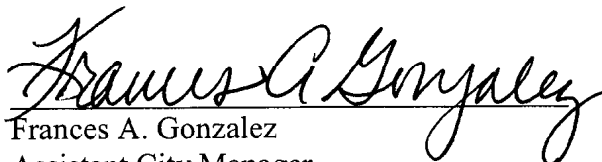
COORDINATION

The Department of Community Initiatives has coordinated activities with the City Attorney's Office, Office of Management and Budget and the Finance Department.


SUPPLEMENTARY COMMENTS

Provisions of the Ethics Ordinance do not apply.


Dennis J. Campa, Director
Department of Community Initiatives


Frances A. Gonzalez
Assistant City Manager

Approved:


Terry M. Brechtel
City Manager

**Families SAVE Program
Project 26-022095**

Index No.

Estimated Revenues:			
076620	HHS Grant #90E10135/01	00-004	\$ 900,000
xxxxxx	Alamo Community College District Foundation		\$ 75,000
076638	Citicorp Contribution	00-008	\$ 50,000
076646	Annie E. Casey Foundation	00-008	\$ 18,500
077222	Frost National Bank	00-008	\$ 10,000
078220	Goodwill Industry	00-008	\$ 5,000
078865	San Antonio Housing Trust	00-008	\$ 5,000
079228	Annie E. Casey Foundation	00-008	\$ 2,500
079541	Annie E. Casey Foundation	00-008	\$ 20,000
115923	TRF from 26-012218	00-009	\$ 45,000
115964	TRF from 26-012241	00-009	\$ 62,850
116103	TRF from 26-012231	00-009	\$ 6,500
116111	TRF from G.F. IC 924811	00-009	\$ 15,000
116251	TRF from G.F. IC 924811 (HDSF)	00-009	\$ 25,000
076620	Transfer a portion of unused grant match from project 26-022080	00-004	\$ 20,000
116269	TRF from G.F. 924811 (Council District 5)	00-009	\$ 5,000
			\$ 1,265,350

TOTAL ESTIMATED REVENUES**\$ 1,265,350****Object Code**

Activity 38-12-03 - Program			
533398	Direct Welfare - IDA Account	04-276	\$ 1,115,350
539734	Direct Welfare - IDA Account	04-276	\$ 15,000

Total Activity 38-12-03**\$ 1,130,350****Activity 38-12-05 - Administration**

593608	Regular Salaries	01-010	\$ 83,000
593830	FICA	01-030	\$ 6,350
597575	TMRS	01-040	\$ 9,480
598979	Flex Benefits	01-050	\$ 13,525
601401	Life Insurance	01-051	\$ 145
610378	Advertising	02-175	\$ 5,000
610998	Binding, Printing, and Reproduction	02-181	\$ 5,000
612101	Office Supplies	03-210	\$ 5,000
615369	Computer Software	03-243	\$ 7,500

Total Activity 38-12-05**\$ 135,000****Total Appropriations****\$ 1,265,350****FUND ONLY INDEX NO. 001568**