

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
DEPARTMENTS OF COMMUNITY INITIATIVES AND
HOUSING AND COMMUNITY DEVELOPMENT**

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives and, Andrew Cameron, Director, Department of Housing and Community Development

THROUGH: Terry M. Brechtel, City Manager

COPIES: Frances A. Gonzalez, Assistant City Manager; Jelynn LeBlanc Burley, Assistant City Manager; Rebecca Waldman, Director, Asset Management Department; Andrew Martin, City Attorney; Peter Zaroni, Acting Director, Office of Management and Budget; File

SUBJECT: "B" SESSION BRIEFING ON FY05 HUMAN DEVELOPMENT SERVICES RECOMMENDATIONS

DATE: June 10, 2004

SUMMARY AND RECOMMENDATIONS

The purpose of this briefing is to provide recommendations for FY2005 Consolidated Funding Human Development Services Investments and contracts with delegate agencies in the aggregate amount of \$9,781,040.

BACKGROUND INFORMATION

At the direction of the Economic and Human Development Committee, staff developed a consolidated funding process to address San Antonio's human development services strategic issues and meet the priorities established by City Council. On February 5, 2004, the City Council approved the following FY04 Human Development Services Funding priorities for FY2005 and FY2006 through Ordinance Number 98796:

Priority Service Area (32.8%) Family Strengthening Goals: Children community-wide will enter school prepared to learn and parents will be prepared to serve as their child's first and most important teacher. Children will receive high quality early care and education.

Priority Service Area (25.6%) Youth Development Goals: Increase the overall developmental assets of youth. High school students will graduate on time and complete higher education.

Priority Service Area (23.1%) Workforce Development Goal: San Antonio's workforce will acquire the education and skills that will prepare them for jobs in the community's driver industries and earns them a livable income.

Priority Service Area (18.5%) Community Safety Net Goal: Enhance and ensure continuation of the community safety net to promote the overall health of our most vulnerable residents, and address the issues of hunger and homeless.

The City's Consolidated Human Development Services Funding process includes the following funds: City of San Antonio General Fund for Delegate Agencies, Community Development Block Grant Funds (CDBG); remaining FY04 Community Services Block Grant Funds (CSBG) funds; Federal, State, and Local Child Care Development Funds (CCDF); Federal Emergency Shelter Grant (ESG); Federal Housing Opportunities for Persons with Aids (HOPWA) including Federal Funds for reprogramming; FY04 unspent one-time general funds dedicated to Workforce Development and Homeless and Hunger reduction initiatives; and other Federal, State, and local funds as they may become available. The contract period will be for one year beginning October 1, 2004 with an option to renew for an additional one-year period, based on agency performance, funding availability, and City Council approval.

POLICY

The City issued an RFP on February 10, 2004. A pre-proposal conference was held on February 13, 2004 with over 100 agencies represented. City staff trained 135 agency representatives at two proposal writing workshops. Additionally, the Non-Profit Resource Center provided supplementary training to 73 agency representatives.

On March 22, 2004, the City Clerk received 135 proposals requesting \$24,676,171 with only \$9,781,040 available from all sources. The evaluation process was comprised of several committees representing service categories in each Priority Service Area. Subject matter experts that included city staff, volunteers from the various city boards and commissions, representatives from Bexar County, United Way, Alamo Area Council of Governments, Alamo Workforce Development, Inc., Annie E. Casey and Kronkosky Foundation, reviewed and scored the proposals. City of San Antonio Certified Contracting Officers facilitated all evaluations. An orientation regarding the roles and responsibilities of evaluation committee members, code of conduct, and instructions on using the standardized evaluation instrument was provided to all evaluators and facilitators.

After the review of proposals, each evaluation committee returned a final ranking to the Directors of the Department of Community Initiatives and Housing and Community Development. The Directors of these departments reviewed the Evaluation Committees' ranking, program consistency with City Council goals and objectives, need for the service by underserved populations and Council Districts, potential duplication, availability of funds, and agency past performance, in order to formulate recommendations.

On May 20, 2004, the City Council's Economic and Human Development Committee reviewed the recommendations and approved moving forward to City Council B Session. Additionally, the Directors will ensure that no agency receives more than 65% of its overall revenues from the City for the FY2005 and 50% in FY2006. During the first quarter of the FY2005 contract, agencies will be allowed to secure revenues sufficient to ensure that City funds do not exceed the 65% level. If an agency is unable to secure enough revenue to meet the 65% funding cap, staff will return to City Council with a recommendation for reprogramming.

DCI presented two outstanding issues to the Economic and Human Development Committee on May 20, 2004. The Committee directed staff to bring these issues forward to the full council. Upon review of Project QUEST's proposed FY 2005 agency budget, it was noted that Project QUEST had secured only 41% of their required match. The recommended allocation to Project QUEST of \$1,000,000 is based on Project QUEST securing the remaining match by the end of the first quarter of FY 2005. The second issue involves alignment of the FY 2004 Homeless and Hunger one-time allocation with the consolidated funding process and the City's fiscal year. DCI recommends reprogramming \$403,735 remaining from the Homeless and Hunger budget for consolidated funding investments in FY 2005.

The Department of Community Initiatives will administer and monitor contracts funded by ESG, HOPWA, CSBG, General Fund (including one-time funds) and other special grant resources. The Department of Housing and Community Development will administer and monitor the contracts funded by CDBG public service dollars and General Fund Housing Development initiatives. The consolidated funding initiative has improved efficiency through reducing the total number of contracts from 85 in FY04 to 53 for FY05 while investing in four additional services. Additionally, the City Attorney's Office has revised the standard Delegate Agency Contract template for use with all Delegate Agency Contracts funded through the consolidated process and other Human Development Services.

In the third quarter of FY2005, staff will recommend continued funding for FY2006 to City Council based on an annual review, agency performance and funding availability.

FISCAL IMPACT

The consolidated human development services funding pool includes \$9,781,040 as follows:

	Family Strengthening	Youth Development	Workforce Development	Community Safety Net	Total by funding source
CDBG	\$ 1,090,588	\$ 615,000	\$ 30,000	\$ 273,422	\$ 2,009,010
General Fund	\$ 1,157,085	\$ 1,139,281	\$ 1,257,965	\$ 994,320	\$ 4,548,651
General Fund FY04 1-time			\$ 325,000	\$ 405,735	\$ 730,735
CSBG	\$ 58,750				\$ 58,750
HOPWA FY05				\$ 996,190	\$ 996,190
HOPWA Reprogram				\$ 155,296	\$ 155,296
ESG				\$ 144,730	\$ 144,730
CCDS Grant Transfer	\$ 1,137,678				\$ 1,137,678
Total by category	\$ 3,444,101	\$1,754,281	\$ 1,612,965	\$ 2,969,693	\$ 9,781,040

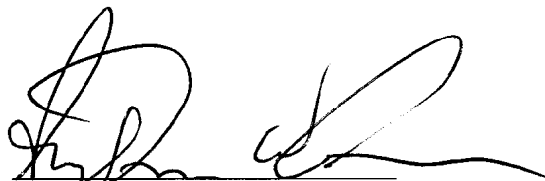
These General Fund allocations represent the present annual funding for delegate agencies. For FY 2005, General Fund support for delegate agencies will be determined during the budget process.

COORDINATION

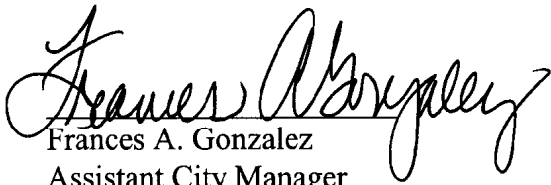
Activities have been coordinated with the Department of Community Initiatives, Department of Housing and Community Development, City Attorney's Office, Office of Management and Budget/Risk Management, and Asset Management Department.



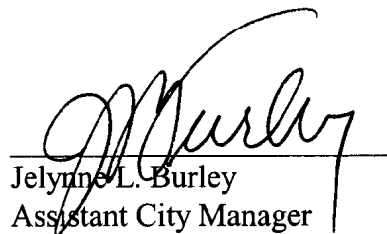
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