TO: HONORABLE CITY COUNCIL
ATTN: FINANCE COMMITTEE
FROM: CITY MANAGER DEPARTMENT: COMMUNITY SERVICES
DATE: APRIL 17, 2007 CMR: 201:07
SUBJECT: PROPOSED FISCAL YEAR 2007-09 HUMAN SERVICES RESOURCE ALLOCATION PROCESS FUNDING RECOMMENDATIONS

REPORT IN BRIEF

This report transmits the Human Services Resource Allocation Process (HSRAP) Allocations Committee funding recommendations for fiscal year 2007-2009 (Attachment A), the Human Relations Commission’s HSRAP Priority of Needs for fiscal year 2007-08 (Attachment B) and the proposal summaries submitted for funding consideration (Attachment C).

The funding recommendations will provide $1,214,910 to fourteen programs each year for two-years. In past years, the HSRAP allocation has included a Consumer Price Index (CPI) increase for the recommended agencies. Due to the continued downturn in the economy, staff continues to recommend a temporary suspension of the CPI increase to the recommended agencies. Staff is not recommending any further reductions to the HSRAP funding program.

This report discusses funding criteria, funding rationale and current human service priorities. This report also reviews coordination efforts with the Community Development Block Grant (CDBG) process.

RECOMMENDATION

Staff recommends that the Finance Committee recommend to Council that:
1. The funding allocations, as recommended by staff and the HSRAP Allocations Committee (Attachment A), be included in the fiscal year 2007-2009 Cubberley & Human Services Division’s contract budget.
2. The Council approve the contracts that are $65,000 or greater as identified in Attachment A.
3. The City Manager or his designee be authorized to execute the Human Services contracts and any other necessary documents concerning the contracts.

BACKGROUND

Since 1983, the HSRAP process has identified community service needs that determine City funding for human services (CMR:147:83). In 1993, Council directed staff to review the HSRAP process for the purpose of strengthening the process and to return with a plan (CMR:143:93). In response to
Council direction, staff returned with a HSRAP implementation plan (CMR:118:99).

The City’s Human Relations Commission (HRC) participates in identifying human service needs through the information provided by the community at the HRC monthly meetings and by hosting community forums. The needs assessment activities assist in establishing bi-annual priorities of human service needs for the Palo Alto community. The Allocations Committee comprised of Human Services staff, Planning Department staff and a representative from the HRC reviews and analyzes the merits of the funding requests and provides funding recommendations based on established funding criteria and the bi-annual priority of needs. The HSRAP Allocations Committee recommendations are reviewed by City administration and are then forwarded to Council for consideration and approval.

**FY2007/09 HSRAP Process**
- September 14, 2007 the HRC set the HSRAP Priority of Needs for the HSRAP Request for Proposals process (Attachment B).
- October 5, 2007 Request for Proposal documents released to the public.
- November 2, 2007 HSRAP staff holds a bidder’s workshop jointly with the staff of the city’s Community Block Grant (CDBG) to answer any questions that the non-profit community had for the proposal submission process.
- December 8, 2007 proposal submission deadline for both HSRAP and CDBG proposals.
- January 16, 2007 HSRAP Allocations Committee begins to review proposals and allocate the $1,214,910.00 in funding.
- March 13, 2007 the Allocations Committee’s funding proposal is reviewed by the City administration.
- March 20, 2007 the HRC, at a special meeting, reviews the HSRAP funding allocations. The HRC comments on the funding allocations are documented in this CMR.

**DISCUSSION**

The FY 2007/09 funding process included the following components:
1. Cubberley Community Center and Human Services Division staff and the HRC conducted meetings on health care, child care and emerging needs in the community as part of the HRC’s regular monthly meetings. The HRC and the Palo Alto Mediation Program hosted a Tenant Rights Forum this past year as well.

2. The Request for Proposals (RFP) process has been expanded to a wider distribution base in order to reach a more diverse and a greater number of providers. The RFP was made available online to increase accessibility to the document.

3. The HSRAP and the CDBG processes were coordinated to maximize resources and streamline the City’s human services funding approach. Coordination involved specifying what funding requests each fund would entertain, adopting the same request for proposal schedule and conducting a joint bidder’s workshop for interested non-profit providers.

4. HSRAP funding request, for a two-year period, were reviewed to determine if they addressed the community Priority of Needs established by the HRC for fiscal year 2007-2009. Proposals that did not address the priority of needs were removed from further funding consideration.
Sole Source Contract Agencies
Palo Alto Mediation Program, Avenidas, Palo Alto Community Child Care and Second Harvest Food Bank, which provide mediation, senior services, child care subsidies and food respectively are sole source contract agencies because they meet the criteria as set forth in CMR:118:99, “Proposed Human Services Resource Allocation Process (HSRAP) Implementation Plan”. This plan allow for consideration for funding of on-going services when the service meets the City of Palo Alto target population needs as described in the City’s Comprehensive Plan or Consolidated Plan. Services to seniors, children, youth, conflict/resolution and food were established as priority needs. The two-year program proposals will be reviewed and contracts will be renewed contingent upon meeting performance objectives and standards. Staff reviews contracts on a quarterly basis each year.

FY 2007/09 HSRAP Funding Recommendations
Council policy, enacted in 1993 (CMR143: 93), limits available funds to $1,214,910 and does not include a CPI for fiscal year 2007-2009 for the HSRAP base budget. Sole Source Agencies are recommended for $914,457. The funding recommendations over $65,000 and that need City Council approval are as follows:
- Avenidas, which provides a comprehensive system of services to senior citizens, is recommended for $420,216.
- Palo Alto Community Child Care (PACCC), which administers the City subsidy for child care to low-income families, is recommended for $425,720.

The funding for other non-sole source HSRAP requests is $300,453. Ten non-profit agencies are recommended for HSRAP funding. Only one agency, Adolescent Counseling Services, has recommended funding over $65,000 and therefore requires Council approval. This agency is recommended for $93,100 to provide comprehensive services to students and families in the Palo Alto Unified School District’s secondary schools.

The attached spreadsheet (Attachment A) identifies the other agencies that are recommended for funding and whose funding is less than $65,000 dollars. Attachment A is provided for Council’s information only.

ALTERNATIVES TO STAFF RECOMMENDATION
The City of Palo Alto’s Human Relations Commission (HRC), at its meeting on March 20, 2007, approved the Allocations Committee’s funding recommendations (Attachment A). The HRC also recommended that the City Council add $4,492 to the Palo Alto Mediation Program from the City Council’s contingency fund in order to bring the agency to FY 2005/07 funding level. If the Council Finance Committee approves the additional funding of $4,492, the Palo Alto Mediation Program funding level would be at $65,641 and need Council approval as well.

RESOURCE IMPACT
The HSRAP funding recommendations will provide $1,214,910 in General Fund support to 14 programs, ten HSRAP agencies and four sole source agencies. The HSRAP funding recommendation of $1,214,910 is reflected in the Community Services Department’s proposed budget for 2007-2009.

TIMELINE
Upon approval by the City Council, staff will finalize the agency contracts and funding will begin...
July 1, 2007.

ENVIRONMENTAL REVIEW
This program is not a project as defined by the California Environmental Quality Act (CEQA) and is not subject to CEQA requirements.

ATTACHMENTS
Attachment A: HSRAP 2007-09 Allocations Committee Funding Recommendations
Attachment B: Human Relations Commission HSRAP Priority of Needs FY 2007-09
Attachment C: Proposal Summary Sheets

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Cc: Palo Alto Human Relations Commission
All HSRAP Applicants