

FINANCE COMMITTEE MINUTES

Regular Meeting
April 1, 2008

Chairperson Morton called the meeting to order at 7:02 p.m. in the Council Conference Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Burt, Morton (chair), Schmid, Yeh

1. Oral Communications

None.

2. Recommendations to the City Council Regarding Proposed Fiscal Year 2008-09 Human Services Resources Allocation Process Funding.

Kathy Espinoza-Howard spoke regarding Human Services Resources Allocation Process Funding and that 13 non-profits are being funded. There was a change from last year in that Palo Alto Mediation was made a general contractor and is no longer part of this process.

Michele Schroeder, SALA, 160 E. Virginia St. #260, San Jose spoke regarding continued funding for the Senior Adult Legal Assistance

Chairman Morton stated that he would not be participating in item numbers 2, 2.5, and 5 on Attachment A of the City Managers Report (182:08) due to a conflict in that his firm is the accounting firm for these agencies.

MOTION: Council Member Burt moved, seconded by Council Member Schmid, that the Finance Committee tentatively recommend to the City Council that:

1. The funding allocations, as recommended by the City Council for 2007-09 (Attachment A), be included in the fiscal year 2008-09 Cubberley & Human Services Division's contract budget.
2. The City Manager or his designee is authorized to execute year two of the two-year contract, which was first approved in June 2007.

MOTION PASSED: Items 1, 3-4, 6-10, 4-0

MOTION PASSED: Items 2, 2.5, and 5, 3-0, Morton abstaining

3. Proposed Fiscal Year 2008-09 Community Development Block Grant (CDBG) Funding Allocations and 2008-2009 Draft Action Plan.

Eloiza Murillo-Garcia gave a brief overview of the CDBG program. She described the goals and funding of the program, with the three funding categories of public services, planning and administration, and capital projects. She described the recommendations of Staff and the CDBG Citizens Advisory Committee relating to the allocation of CDBG funds for fiscal year 2008-2009. The CDBG program is on a two year funding cycle, with fiscal year 2008-09 being the second year of the cycle. The total amount available for allocation in 2008-09 is approximately \$1.8 million, with an entitlement grant of about \$686,000 and the remainder coming from program income and reallocated funds. Anticipate an unusual amount of program income from Palo Alto Gardens, Sheridan Apartments and Caravan House.

Marlene Prendergast, Palo Alto Housing 560 Chaucer, Palo Alto spoke requesting funds to help purchase land for the Tree House Low Income Home Project.

MOTION: Council Member Burt moved, seconded by Council Member Yeh, that the Finance Committee recommend to the City Council to:

1. Allocate CDBG funding as recommended by staff and the Citizens Advisory Committee (CAC) in the draft 2008/09 Action Plan.
2. Authorize staff to submit the 2008/09 Action Plan to Department of Housing and Urban Development (HUD) by the May 15, 2008 deadline.
3. Authorize the City Manager, on behalf of the City, to execute the 2008-09 application and Action Plan for CDBG funds and any other necessary documents concerning the application, and to otherwise bind the City with respect to the application and commitment of funds.

MOTION PASSED: 4-0

4. Discussion for Future Meeting Schedules and Agendas

April 22, 2008 Utility Connection Fees

May 06, 2008 Budget Kickoff meeting- General Fund

May 08, 2008 CIP Budget and Enterprise Budget

ADJOURNMENT: The meeting adjourned at 8:21 p.m.

