TO: HONORABLE CITY COUNCIL

ATTN: FINANCE COMMITTEE

FROM: CITY MANAGER DEPARTMENT: COMMUNITY SERVICES

DATE: APRIL 16, 2002 CMR:200:02

SUBJECT: PROPOSED FISCAL YEAR 2002-03 HUMAN SERVICES RESOURCE ALLOCATION PROCESS FUNDING RECOMMENDATIONS

REPORT IN BRIEF

This report transmits the funding recommendations of the Human Services Resource Allocation Process (HSRAP) Allocations Committee for fiscal year 2002-03 (Attachment A), the Human Relations Commission’s HSRAP Priority of Needs for fiscal year 2001-02 (Attachment B), and the proposal summaries submitted for funding consideration (Attachment C).

The funding recommendations will provide $1,350,927 to twenty programs. Of this amount, $50,743 represents a one-time increase in the Human Services Division contract base budget. The additional funding will provide the second year of funding for four agencies approved by the City Council to be included in the 2001-02 HSRAP two year funding cycle.

In past years, the HSRAP allocation has included a Consumer Price Index (CPI) increase for the recommended agencies. This year staff recommends a 3 percent CPI to agencies which is the same level as 2001-02 fiscal year. This will result in a $39,347 increase to the HSRAP base budget for 2002-03.

The report discusses funding criteria, funding rationale and current human service priorities. This report also reviews changes to the HSRAP administrative process and 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 2002-03 Human Services Division’s contract budget.
2. The City Manager or his designee is 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).

During the past two years, staff and the Human Relations Commission (HRC) have worked to implement administrative changes to the HSRAP process. The implementation plan was developed to establish a “service safety net” and to address emerging needs and services gaps in the community. The plan calls for expanding funding opportunities for new services and increases the service delivery capacity of non-profit providers serving the Palo Alto community.

The City’s 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 is comprised of staff from the Human Services Division, Planning Department and an HRC Commissioner. The Committee reviews and analyzes the merits of funding requests and provides funding recommendations based on established funding criteria and the bi-annual prioritization of needs. The HSRAP Allocations Committee recommendations are reviewed by the City Manager and are then forwarded to Council for consideration and approval.

DISCUSSION
The 2001-02 funding process included the following six components:
1. Three need assessment activities and a citywide survey of residents on community needs. County and local needs assessment documents were utilized to assess human service needs in the community.

2. The HRC established an annual Priority of Needs for the community that provided guidance for funding recommendations. (Attachment B).

3. The Request for Proposals (RFP) process has been distributed more widely in order to
reach a more diverse and a greater pool of providers. The RFP was made available online to increase accessibility and it was changed to a two-year funding process to increase funding stability for local non-profit agencies.

4. 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 would entertain, adopting the same request for proposal schedule and conducting a joint bidder’s workshop for interested non-profit providers.

5. Avenidas, Palo Alto Community Child Care and Second Harvest Food Bank, which provide senior services, child care subsidies and food, respectively, were determined to be sole source contract agencies because they are the sole providers of the service and/or because of the unique association they have with the City of Palo Alto. These agencies were not required to submit proposals for HSRAP funding. The programs will be reviewed and contracts will be renewed contingent upon meeting performance objectives and standards. Regularly, at the end of a four-year period, or 2005, staff will initiate a “Letter of Interest” process to assess if there are other non-profit agencies interested and capable of rendering the same quality of services to the City of Palo Alto.

6. HSRAP funding requests were reviewed to determine if they addressed the community Priority of Needs established by the HRC for fiscal year 2001-02. Proposals that did not address the Priority of Needs were removed from further funding consideration. Funding requests were for a two-year period only.

Council policy, enacted in 1993 (CMR143: 93), limits available funds to $1,350,927. This amount includes a 3 percent CPI or $39,347 and a one-time addition to the base budget of $50,743 that was added to the fiscal year 2001-02 HSRAP base budget of 1,260,837. The additional one-time allocation provides for the second year of funding for four agencies added on a one-time basis to the HSRAP two-year program in 2001-02 by the City Council. The agencies are:

- Project Sentinel with an additional $15,070 for a total of $66,355.
- Youth Community Service, with $12,360 of funding.
- Senior Adults Legal Assistance, with $8,280 of funding.
- Peninsula Association for Retarded Children & Adults, with $15,033 of funding.

The amount designated to the sole source agencies totals $904,676 and includes a 3 percent CPI. The funding recommendations are as follows:

- Avenidas, which provides a comprehensive system of services to senior citizens, was recommended for $452,821.
- Palo Alto Community Child Care (PACCC), which administers the City subsidy program for child care to low-income families, was recommended for $444,400.
- Second Harvest Food Bank, which is the sole provider for food in Santa Clara County and
the City of Palo Alto, was recommended for $7,455.

The funding left for HSRAP requests was $446,251. Seventeen non-profit agencies are recommended for HSRAP funding. They are as follows:
1. Adolescent Counseling Service is recommended for $99,178 to provide comprehensive services to students and families in the Palo Alto Unified School District’s secondary schools.

2. Alliance for Community Care is recommended for $27,271 for the homeless outreach program in Palo Alto. The Outreach Program will provide emergency on-call services to City departments, libraries, community centers and local homeless service providers.

3. American Red Cross is recommended for $12,731 for homelessness prevention services, including emergency financial assistance, counseling and information and referral.

4. Community Association for Rehabilitation is recommended for $45,114 to provide a wide range of support services to people with disabilities. These services include day center support services, child care for developmentally delayed children, employment services for the disabled, a creative recreation program and a therapeutic aquatics program for autistic and developmentally disabled children and their families.

5. Community Technology Alliance (CTA) is recommended for $15,450 to increase access to subsidized housing units in Palo Alto and Santa Clara County through the development of a searchable database that will be accessible through a website. In addition, CTA will continue to provide voicemail to Palo Alto’s non-profit agencies serving the homeless population.

6. La Comida de California is recommended for $33,715 to provide hot meals for Palo Alto’s senior citizens. The agency provides a hot lunch at the Avenidas Senior Center and Stevenson House five days a week. La Comida also provides a hot lunch every Wednesday at the Senior Friendship Day Program at Cubberley Community Center.

7. MayView Community Health Center is recommended for $17,949 to provide medical and health care services to Palo Alto’s homeless and very low-income residents and to provide a food pantry for low income working families at Ventura Community Center.

8. Outreach and Escort is recommended for $6,365 to provide a subsidy to pay for paratransit rides for low-income disabled Palo Alto residents.

9. Peninsula Association of Retarded Children and Adults will provide recreational programming for residents at its Page Mill Court affordable housing complex for retarded adults with $15,484 in funding.
10. Project Sentinel is recommended for $68,377 to provide administration, training and support services to the Palo Alto Mediation Program, comprised of 24 volunteer mediators.

11. Senior Adult Legal Assistance is allocated $8,528 to provide Palo Alto seniors with legal advice counseling sessions at Avenidas Senior Center and at Stevenson House, an affordable senior housing complex in South Palo Alto.

12. Social Advocates for Youth is recommended for $8,166 to provide services to youth, families in crisis and runaway/homeless youth. The agency provides crisis intervention, short-term shelter and crisis resolution treatment services.

13. Support Network for Battered Women is recommended for $20,544 to provide crisis intervention, legal advocacy and shelter to victims of domestic violence.

14. Urban Ministry is recommended for $34,479 to provide hot meals to the homeless and low-income people in Palo Alto. The meals are provided in local churches and synagogues five times per week.

15. YMCA-Palo Alto Branch is recommended for $8,487 to provide academic support, leadership development and recreational activities for at-risk youth at the Ventura Activity Center.

16. YWCA is recommended for $11,682 to provide rape crisis services and community educational services to the Palo Alto community.

17. YWCA-Youth Community Service is recommended for $12,731 to provide community service opportunities for youth in the community and also with local non-profit agencies.

**RESOURCE IMPACT**

The HSRAP funding recommendations will provide $1,350,927 to twenty programs. Of this amount, $39,347 represents a 3 percent CPI to the recommended agencies and $50,743 represents a continuation of funding for the four agencies added by the City Council to the HSRAP program in fiscal year 2001-02. The $39,347 and the one-time, $50,743 increase will reduce the General Fund Reserve by $90,090. These changes will be reflected in the Community Services Department proposed budget for fiscal year 2002-03.

**TIMELINE**

Upon approval by the City Council, staff will finalize the agency contracts and funding will begin July 1, 2002.
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 2002-03 Allocations Committee Funding Recommendations
Attachment B: Human Relations Commission HSRAP Priority of Needs FY 2001-02
Attachment C: Proposal Summary Sheets

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