

DATE ISSUED: April 30, 2003

REPORT NO. 03-083

ATTENTION: Honorable Mayor and City Council
Docket of May 6, 2003

SUBJECT: Fiscal Year 2004 Social Services Program Funding Recommendations

SUMMARY

Issues

- 1) Should the City Council adopt the City Manager's funding recommendations for Fiscal Year 2004 Social Service Programs, contingent upon certification of funds availability by the City Auditor and Comptroller?
- 2) Should the City Council approve funding appropriations from the General Fund, Community Development Block Grant Program, Emergency Shelter Grant, Housing Opportunities for People with AIDS Grant, San Diego County and the Housing Commission for Fiscal Year 2004 Social Service Programs, contingent upon adoption of the FY 2004 budget and contingent upon certification of funds availability by the City Auditor and Comptroller?
- 3) Should the City Council authorize the City Manager to negotiate and execute agreements with all programs approved for funding, contingent upon certification of funds availability by the City Auditor and Comptroller?

City Manager=s Recommendations

- 1) Adopt the City Manager's funding recommendations for Fiscal Year 2004 Social Service Programs, contingent upon certification of funds availability by the City Auditor and Comptroller.

- 2) Approve funding appropriations from the General Fund, Community Development Block Grant Program, Emergency Shelter Grant, Housing Opportunities for People with AIDS Grant, San Diego County and the Housing Commission for Fiscal Year 2004 Social Service Programs, contingent upon adoption of the FY 2004 budget and contingent upon certification of funds availability by the City Auditor and Comptroller.
- 3) Authorize the City Manager to negotiate and execute agreements with all programs approved for funding, contingent upon certification of funds availability by the City Auditor and Comptroller.

Fiscal Impact

Adoption of these recommendations will total \$5,276,577. Fiscal Year 2004 funds are available from the Community Development Block Grant, Emergency Shelter Grant, the City General Fund, the County of San Diego, and the Housing Commission to cover the costs of these programs.

BACKGROUND

On November 19, 2001 the City Council adopted a formal selection process for the allocation of social services funding (Resolution # 295744). The process was recommended by a Task Force consisting of representatives from non-profit organizations, community members, and Mayor and City Council staff. This is the second year that the selection process will be utilized.

A dual category system was adopted to create a priority category of programs. These programs, referred to as “basic services”, do not have to compete in the competitive selection process. The programs recommended for this category must fit in to one of five groups: (1) City administered or sponsored programs; (2) Council directed programs; (3) programs designated to receive earmarked funding from another government agency; (4) programs funded by the City at no less than \$100,000 during each of the last five fiscal years; and (5) other programs approved by the City Council. Basic services programs are afforded three-year contracts subject to annual renewal. During their first three-year award period they will receive a comprehensive programmatic, fiscal and organizational review that will have an impact on future funding.

The programs that are not considered Basic Services are required to participate in an annual competitive application process for the remaining funds. These projects will be reviewed in several sub-categories that reflect City Council priorities (e.g. Homeless, Youth, Disability, Domestic Violence/Crime Victims, Employment, HIV/AIDS, Senior, etc).

DISCUSSION

With the City facing a serious budget shortfall in FY04, a 10% reduction of social service funding is proposed. Total funding in FY03 was \$5,846,196. The amount remaining after a 10% reduction equals \$5,261,577. However, the Housing Commission increased its earmarked funding for the Regional Task Force for the Homeless from \$30,000 to \$45,000. Therefore, the overall funding recommended for FY04 equals \$5,276,577.

Funding Available for FY04 Social Services

Community Development Block Grant Funds	\$2,797,050
Emergency Shelter Grant Funds	\$ 631,000
City General Funds	\$1,778,527
County of San Diego	\$ 25,000
San Diego Housing Commission	\$ 45,000

Total \$5,276,577

Amount recommended for basic services	\$3,314,921
Amount recommended for competitive selection process	<u>\$1,961,656</u>

Total \$5,276,577

Basic Services

For Basic Service projects, Fiscal Year 04 represents the second year of funding in a three year funding period. We have listed the funding recommendations for Basic Services in two major categories. **Attachment 1** lists the programs that are either City administered or City directed. Some of those programs are recommended for increased funding to address increased operating costs. **Attachment 2** lists the basic service programs that are not City administered or City directed. A 10% decrease for all but one of those programs is proposed. It is recommended that the County Senior Nutrition Program receive a 15% reduction.

Competitive Social Services

Timeline:

December 6, 2002 – January 29, 2003	Application Period
December 17 & 18, 2003	Applicant Workshops
February 19 – March 14, 2003	Selection Committee Review Period
May 6, 2003	Council to approve social service allocations

Competitive Selection Procedures

1. The application period was open from December 6, 2002 to January 29, 2003.
2. The process was noticed through: (a) Direct mailings to non-profits on the City’s Social

- Service mailing database; (b) Posting on City web-site; (c) Press release to local print and broadcast media.
3. Four (4) applicant workshops were conducted the week of December 16, 2003. A follow up workshop was held the second week of January.
 4. Seven selection committees were empanelled consisting of four to five City staff members.
 5. A selection committee orientation session was held on February 19, 2003.
 6. Committee members had approximately 3 weeks to independently read and score applications in accordance with established scoring criteria.
 7. For currently funded projects, committee members scored up to 85 points and social services staff scored up to 15 points for a total 100 points possible per application.
 8. For new projects, committee members allocated 65 points and social services staff scored up to 10 points for a total 75 points possible per application.
 9. Each committee met for one day to discuss the strengths and weaknesses of each application and to make final scoring decisions in accordance with the selection criteria. The selection criteria for current year funded projects are listed on **Attachment 3**. The selection criteria for new programs are listed on **Attachment 4**.
 10. Social services staff applied committee scores to a funding formula and balanced funding for current City funded programs and new programs. The social service funding allocation methodology is listed on **Attachment 5**.

Recommended Program Allocations (Competitive Process)

The recommended program allocations are listed on **Attachment 6**. They are based on selection committee scores and availability of funds. **Attachment 7** is an alphabetical listing of all applications with a corresponding funding recommendation.

Total number of applications received	144
Less:	
Number of late Applications	3
Number of ineligible Applications	2
 Total number of applications scored by committees	 139
 Number of applications received for currently funded programs	 54
Number of current Programs recommended for funding	43
Number of current Programs not recommended for funding	11
 Number of applications received for new programs	 85
Number of new programs recommended for funding	7
Number of new programs not recommended for funding	78

ALTERNATIVE(S)

- 1) Do not adopt the City Manager's funding recommendations.
- 2) Adopt the City Manager's funding recommendations with adjustments.

Respectfully submitted,

Ernie Linares
Community Development Administrator

Debra Fischle-Faulk
Community Services Deputy Director

Hank Cunningham
Community and Economic Development
Director

Approved: Bruce Herring
Deputy City Manager

HERRING/DFF/ELL

- Attachments: [1. Recommended Basic Services Allocations – City](#)
[2. Recommended Basic Services Allocations – Other than City](#)
[3. Selection Criteria – Current Year Funded](#)
[4. Selection Criteria – Not Funded in Current Year](#)
[5. Funding Allocation Methodology](#)
[6a. Recommended Competitive Social Services Program
Allocations - Category Breakdown](#)
[6b. \(Page 3 of Attachment 6\)](#)
[7a. Recommended Competitive Social Services Program
Allocations - Alphabetical Order](#)
[7b. \(Page 7 of Attachment 7\)](#)