

CONSENT CALENDAR February 19, 2013

To: Honorable Mayor and Members of the City Council

From: () Christine Daniel, City Manager

Submitted by: Jane Micallef, Director, Health, Housing and Community Services

Department

Subject: Revenue Contract: Community Services Block Grant for Calendar Year 2013

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or her designee to accept the Community Services Block Grant (CSBG) Contract Number 13F-3001 for the initial amount of \$67,445, and execute any resultant agreements and amendments including amendments that increase the contract amount to provide low-income services for the period January 1, 2013 to December 31, 2013.

FISCAL IMPACTS OF RECOMMENDATION

Berkeley's Community Services Block Grant (CSBG) allocation for the period January 1, 2013 through December 31, 2013 is estimated to be \$250,000 (Community Program Action Fund - 351-7902-331-1012). This first advance of \$67,445 represents a portion of the total funding that is expected to be authorized, once the federal budget for this federal fiscal year is adopted. CSBG funds in the amount of \$127,195 were budgeted for FY2013. We expect the total amount of CSBG funding for FY2013 to be \$251,227, which represents one-half of the City's 2012 CSBG allocation and one-half of the City's 2013 CSBG allocation. This additional appropriation of \$124,023 in CSBG funds will be included in the Second Amendment to the FY2013 Annual Appropriations Ordinance. The CSBG allocation amount is included in the City's anti-poverty Community Action Fund and supports oversight and management of anti-poverty funds within the Housing and Community Services Department. This revenue contract has been entered into the City's contract management system and assigned CMS No. G4HYF.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley is a Community Action Agency (CAA) and receives Community Services Block Grant funds (CSBG) to support anti-poverty programs. CSBG funds are part of the federal Department of Health and Human Services budget passed through the state to local CAAs. Historically, the City of Berkeley has awarded Community Services Block Grant funds to homeless programs.

In recent years, the State Department of Community Services and Development (CSD) has issued contracts to CAAs, advancing only that portion of the estimated full award

that has been approved by Congress as part of the federal budget continuing resolution. CSD estimates for budgeting purposes that Berkeley's final award amount will be \$250,000. After this initial contract is awarded, we expect future amendments to this contract, each one increasing the amount of the contract up to this estimate.

In the FY2013 Community Agency Allocations, a portion of the CSBG grant was allocated to Building Opportunities for Self-Sufficiency for the period July 1, 2012 through June 30, 2013 to provide safety net services for homeless people. The award for July 1, 2012 through December 31, 2013 was included in the City's two-year budget adopted in June 2012. The final award amount is dependent upon the final City of Berkeley CSBG allocation.

In 2013, it is expected that approximately \$173,556 will be awarded to community agencies; the remainder (approximately \$76,444) will continue funding the Housing and Community Services Department to support oversight and management of anti-poverty programs.

At its January 15, 2013 meeting, the Human Welfare and Community Action Commission (HWCAC) passed a motion (M/S/C: Davila/McMullen: Unanimous.) to recommend that the City accept the CSBG Funds and contract for 2013. The HWCAC acts as an advisory tri-partite Board to the Council providing public participation in the administration of the CSBG funds. CSBG funds complement anti-poverty General Funds which are used for other critical community services, including disability and senior services, medical care, child care and additional homeless services.

BACKGROUND

The War on Poverty was block-granted to the states as the Community Services Block Grant (CSBG) and has provided anti-poverty funds to the City of Berkeley at a minimum funded level of \$160,000 until 2008. In 2008, the award increased to \$259,646 annually; in 2011 the award amount increased slightly to \$259,993. In 2012, the award was reduced to \$252,454.

During the past two years, CSBG funds were not budgeted because the President's FY 2012 budget proposal contained a 50% reduction in funding for the CSBG program, and a recommendation to allocate the remaining funds through a competitive process. Given that the City of Berkeley is a "minimum-funded agency", staff felt that the City would not compete favorably for future CSBG funding. For this reason, staff did not budget for CSBG funds in FY 2012 or FY 2013. Despite the continued lack of certainty related to federal funds, staff believes that we will continue to receive an allocation of CSBG funding this year, and will allocate the funds to community agencies and to staff costs associated with administering the program.

Final allocation amounts for Community Action Agencies for calendar year 2013 are not yet known and are dependent upon federal Congressional action. It is currently estimated that the City's CSBG allocation will be \$250,000. Once Congress passes the portion of the federal government's budget which includes funding for the CSBG

program for the current federal fiscal year, we expect the state, which passes funds through to the City of Berkeley, to award the final amount through an amendment to this contract.

RATIONALE FOR RECOMMENDATION

The Community Services Block Grant is necessary to support the provision of services to those residents living in poverty in Berkeley.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Kristen Lee, Community Services Specialist III, HH&CS Department, 981-5427

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

REVENUE CONTRACT: 2013 COMMUNITY SERVICES BLOCK GRANT (CSBG)

WHEREAS, the City of Berkeley is a Community Action Agency and receives CSBG funds as the Berkeley Community Action Agency to support anti-poverty programs; and

WHEREAS, the Human Welfare and Community Action Commission (HWCAC) acts as an advisory tri-partite Board to the Council providing public participation in the governing process; and

WHEREAS, at the January 15, 2013 HWCAC meeting a motion was passed unanimously that the City accept the Community Service Block Grant Funds; and

WHEREAS, this CSBG revenue contract covers the calendar year 2013 (January 1, 2013 through December 31, 2013) for an initial contract amount of \$67,445 (351-7902-331-1012), CMS No. G4HYF; and

WHEREAS, final allocation amounts for Community Action Agencies for calendar year 2013 are not yet known and are dependent upon federal Congressional budget action. It is currently estimated that the City's CSBG allocation will be \$250,000; and

WHEREAS, the funds have historically been used to support homeless services and will continue to support services for low-income Berkeley residents; and to support City of Berkeley oversight and management of anti-poverty programs (budget code 351-7701-463-various to 351-7906-463-various).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or her designee is authorized to accept Community Service Block Grant Contract Number 13F-3001 for the initial amount of \$67,445, and execute any resultant agreements and amendments including amendments that increase the contract amount to provide low-income services for the time period January 1, 2013 to December 31, 2013.