



HUMAN SERVICES COMMISSION AGENDA REPORT

March 3, 2021
Item 3

TITLE: REVIEW AND ALLOCATE HOUSING AND HUMAN SERVICES GRANT FUNDS FOR FISCAL YEAR 2021/22 AND RECOMMEND CITY COUNCIL APPROVAL

SUMMARY

This report summarizes the applications received for funding under the City of Pleasanton Housing and Human Services Grant (HHSG) program. The report provides an analysis of the applications and a recommended funding allocation. This April, the Human Services Commission recommendation is tentatively scheduled to be reviewed by the City Council, along with the recommendation from the Housing Commission regarding HOME Investment Partnership Program (HOME) and Low-Income Housing Funds (LIHF) funds. City Council will have a resolution for review and possible adoption on the funding plan for the City's HHSG program for fiscal year (FY) 2021/22. The City's final appropriations of federal funding Community Development Block Grant (CDBG) and HOME will be submitted to the U.S. Department of Housing and Urban Development (HUD) by the required May 15, 2021 deadline. Fiscal year 2021/22 HHSG funds will be made available July 1, 2021.

RECOMMENDATION

Review and allocate Housing and Human Services Grant Funds for Fiscal Year 2021/22 and recommend City Council approval.

FINANCIAL STATEMENT

Approval of the FY 2021/22 HHSG funding recommendation by the Human Services Commission (commission) will provide approximately \$470,300 during the coming year for projects and services that primarily offer a direct benefit to low-income Pleasanton residents. Approximately \$186,700 is provided by General Funds. This amount is based on a 1.3% decrease in City General Fund revenues from the preceding fiscal year. Of the projected \$342,200 provided by federal CDBG funds, approximately \$273,700 (or 80%) could be allocated to public services and capital improvements. Project funding will be included in the City's Operating Budget for FY 2021/22.

BACKGROUND

The City implemented its HHSG program in 2010. The HHSG program combined funding from federal CDBG and HOME funds as well as two local sources (LIHF and City General Funds) allocated for human services. These funding sources make up a single streamlined grant program.

HHSG applications for FY 2021/22 funding were solicited from November 30, 2020 through January 18, 2021. Twenty-seven applications were received by the January 18, 2021 deadline, with a total funding request of \$1,060,057.

Applications were submitted electronically via the ZoomGrants system, and members of the Human Services Commission were able to review the applications online.

Consequently, no printed materials were distributed this year. Commissioners are requested to print their copies and have them available at the March 3, 2021, meeting as well as any project-specific materials that are desired for review during the meeting.

DISCUSSION

The following table summarizes the composite level of funding for the HHSG program for the coming fiscal year:

Source	FY 2021/2022 Funding	Notes
<u>CDBG:</u> Capital Pub. Svc.	\$197,196 \$ 51,324	These amounts do not include an estimated \$68,432 for program administration (20% of the grant) as well as the Section 108 Loan repayment amount of \$25,211. CDBG eligibility requirements are included in Attachment 4.
City Gen. Fund	\$186,749	City Grant funds reserved for human services (decreased from last year based on 1.3 % decrease in the City's General Fund per policy adopted in 2009). Amount allocated is \$221,749 less \$35,000 for previously approved behavioral health RFQ.
Subtotal:	\$435,269	[Funding available for allocation by the Human Services Commission]
HOME	\$133,724	HOME eligibility requirements are included in Attachment 4. The allocation of HOME funds is subject to review and recommendation by the Housing Commission on March 18, 2021.
LIHF	\$264,196	This is an estimate based on the allocation amount approved last fiscal year. The allocation of funds from the LIHF is subject to review and recommendation by the Housing Commission on March 18, 2021.
Total:	\$833,189	

The total pool of HHSF funding for FY 2021/22, specifically CDBG and General Fund(s), has remained relatively stable. Commission recommendations will focus on the allocation of CDBG funds and City General Funds for human services and non-housing capital projects. The City Council's review is tentatively scheduled for April 2021. The final action taken by the City Council will be included when the City submits its annual Action Plan for Pleasanton's federal grant funds for FY 2021/22 in May.

Staff's recommendation (Attachment 1) includes the funding of seven housing-related projects or services through HOME and/or LIHF funds, both of which will be reviewed by the Housing Commission at its meeting on March 18, 2021. Both the Housing and Human Services Commission grant recommendations will be forwarded directly to the City Council and presented with the Community Grants Program allocation recommendations.

Summary of Attachments

A list of the grant applications received and staff's recommendation for funding is included as Attachment 1 and is detailed below.

Applications were submitted electronically via the ZoomGrants system, and members of the commission used the online system to conduct their application review. A scoring report from ZoomGrants showing the composite rankings from the commission's review is included as Attachment 2.

Attachment 3 provides a broader history of grant funding by the City of Pleasanton for the past three years. Attachment 4 includes a summary of the guidelines for the two federal programs (CDBG and HOME), while Attachment 5 includes the 2020 income limits, which are the latest income limits by affordability level for the Alameda/Contra Costa County area. The criteria adopted by the commission for review of FY 2021/22 HHSF applications are shown in Attachment 6.

The scoring process within ZoomGrants was set up similarly with an evaluation spreadsheet that the commission used in prior years. The scoring process is not intended to be the sole means of evaluating the applications but, rather a framework for efficient evaluation tied to the criteria established for the HHSF program and specific priorities adopted by the commission in October 2020 and included in Attachment 7.

Summary of HHSF Applications

Staff believes the applications received are of high quality, target a wide range of community needs, and demonstrate the broad scope of services provided to the community. Summary observations:

- 27 applications were received
- The total amount of funding requested is \$1,060,057
- The following are new human services programs/projects for this year:
 - Assistance League of Amador Valley / Assistance League of Amador Valley
 - Goodness Village / Laundry Facility project
 - Hively / Trauma Informed Care

- Narika / Self-Empowerment and Economic Development Program
- Sunflower Hill / Sunflower Hill at Irby Ranch Program
- Tri-City Health Center – East County Street Health Outreach
- Several agencies submitted multiple applications. Agencies submitting multiple applications were asked to rank them in order of agency priority for funding, and when appropriate, staff considered the preferred prioritization in developing its recommendations.

Staff's funding recommendations are provided in Attachment 1 and are intended to serve as a starting point for the commission's discussions and assist in managing the large quantity and variety of applications. As in prior years, staff will adjust the recommendations at the meeting to assist the commission in developing its funding recommendation. The recommendation is scaled to the funds available in each of the funding source categories: CDBG, City General Fund, HOME, and LIHF.

Projects are separated by those that are identified for review and recommended by each commission (Human Services and Housing). Attachment 1 includes several columns of information for comparative purposes: funding requested; funding allocated last year; estimated Pleasanton residents to be served; and estimated cost per resident. With regard to the "Cost Per Resident" column, staff would like to emphasize that this statistic is not meant to provide a direct comparison across projects as data across projects may not be comparable. Nevertheless, it does serve as a useful indicator of the cost of providing service.

The following general comments apply to staff's funding recommendations:

- One application, Goodness Village, and the City's Section 108 loan repayment for FY 2021/22, are considered capital projects. The most appropriate source for funding these applications is the capital/rehab portion of the City's CDBG grant for which there is an estimated \$197,196 available. Goodness Village, the sole capital improvement applicant, however, rescinded its Laundry Facility project.
- Seven applications are for housing services and programs which are eligible to be funded through a combination of federal HOME and City LIHF funds. These applications will be reviewed by the Housing Commission on March 18, 2021.
- The remaining 19 applications are non-housing, public services projects. Approximately \$238,073, comprised of \$186,749 in City General Funds and an estimated \$51,324 in CDBG funds, is available to fund these applications.
 - Most of the public services projects have applied for and received HHSG funding in the past and provide useful and important on-going services in the community.
 - Three applications (Assistance League of Amador Valley, Goodness Village, and Tri-City Health Center) represent programs that have not applied for funding in the previous fiscal year, totaling \$57,500. However, as stated earlier, Goodness Village has rescinded its \$35,000 application request for its Laundry Facility project.

- One application (Narika) applied for funding last fiscal year but was not recommended for funding.
- Hively and Sunflower Hill have applied previously but are requesting funds for new/different programs.

Staff's Funding Recommendation

Staff has provided an overall funding recommendation that incorporates commission priorities and rankings. Staff's recommendation, as summarized in Attachment 1, is targeted toward addressing service gaps, particularly around critical safety net services. Staff also attempted to address a variety of activity categories (food, medical, mental health, legal, homelessness, prevention, etc.) to provide some level of funding to most, with the goal of achieving a balanced distribution that will hopefully maximize the efficiency of City funding to address gaps in safety net service areas.

Staff's funding recommendation is a composite of multiple staff reviews from the Housing and Library & Recreation Divisions. Staff considered many factors in developing a recommendation, including: an evaluation of applications against the commission's criteria; composite commission application scores; past year program performance and funding levels; whether the program/project addresses a core safety net service or an identified services gap; whether duplicative services were requested; and distribution of funding across a variety of community needs.

While the recommendation attempts to provide an emphasis on the commission priorities and other factors addressed, it is important to note that other criteria also influence and sometimes override the allocation of funds to projects that meet designated priorities. In general, the most common factors are the restrictions within each funding source and the demand versus the availability of funds such as CDBG Capital funds and Public Services funds. For example, it may be possible to fund a project that does not necessarily score highly under the commission criteria simply because funds are more available in the funding source for that particular type of activity.

Capital/Rehab Funding Recommendations

The City is required to set aside funding for its annual payment on the Section 108 loan that was used to assist the Axis Community Health Clinic rehab project in 2015. This amount is \$225,211 and is included in Attachment 1. There are no capital improvement project applications to consider after Goodness Village rescinded its Laundry Facility project.

Application Not Recommended for Funding

As a starting point for the commission, staff is recommending to fund all but three applications this year; Assistance League of Amador Valley, Goodness Village and Tri-City Health Center. As previously stated, Goodness Village rescinded their application. Assistance League of Amador Valley and Tri-City Health Center both received low total score rankings from the commission review process. In addition, these applications can be considered a duplication of service with other Tri-Valley service providers.

Human Services Commission Meeting Process

At its February 2021 meeting, the Human Services Commission agreed that the March 3, 2021 meeting would begin at 6 p.m. Similarly, the commission decided not to require mandatory presentations from each agency. All agencies can attend the public meeting and will have an opportunity to speak, if desired, and to answer questions by the commission if applicable. The commission has specifically requested brief presentations at the beginning of the meeting from the agencies listed below:

Time (estimate)	Agency	Program
6:15 p.m.	Assistance League of Amador Valley	Assistance League of Amador Valley
6:20 p.m.	CityServe of the Tri-Valley	Homeless Prevention and Family Stabilization Program
6:25 p.m.	Goodness Village	Goodness Village Laundry Facility
6:30 p.m.	Hively	Strengthening Families Through Trauma Informed Care
6:35 p.m.	Narika	Self-Empowerment and Economic Development Program for Survivors of Domestic Violence and Pleasanton Residents
6:40 p.m.	Sunflower Hill	Sunflower Hill at Irby Ranch Program
6:45 p.m.	Tri-City Health Center	East County Street Health Care Outreach – SUD Services

CONCLUSION

As in prior years, the commission is faced with limited funds relative to the aggregate dollar amount requested. The funding allocation structure of the HHS program improves the funding picture somewhat, both in terms of aggregate funding available and the potential for greater efficiency in allocating funds. However, potential cuts to federal programs in the short-term future create the possibility of fewer federal dollars to allocate locally. The City has dedicated General Funds to supplement federal funds and ensure that local critical human service needs are provided to the community.

The task before the commission is to review the non-housing applications and consider funding recommendations for City Council approval. Staff recommends that the

commission develop a funding recommendation for City Council based on staff's proposed funding allocations (shown in Attachment 1) which includes the following considerations:

- Individual commissioner evaluation of projects (e.g. based on the scoring tools used in ZoomGrants, incorporating the established HHSG project review criteria)
- Testimony and discussion at the March 3, 2021 commission meeting
- Other information as applicable.

Staff will have an electronically displayed spreadsheet available at the meeting to facilitate adjustments to the funding allocation during discussions.

The commission's recommendation for HHSG funding is tentatively scheduled to be reviewed by the City Council, along with the recommendation from the Housing Commission regarding HOME and LIHF funds, this April. At that time, it is expected the City Council will be provided a resolution requesting approval of the funding plan for the City's HHSG program (as well as civic arts and youth funding through the Community Grant program) for FY 2021/22. A finalized statement of federal funding will be submitted to HUD by the required May deadline. Funds for FY 2021/22 HHSG projects will be made available July 1, 2021.

ALTERNATIVE ACTION

Recommend different funding strategies (subject to applicable program restrictions and other constraints).

Submitted by:



Jay Ingram
Recreation Manager

Attachments:

1. FY 2021/22 HHSG Review – Staff Recommended Funding Allocation
2. ZoomGrants FY 2021/22 HHSG Program Scoring Report
3. HHSG Funding by Fiscal Year (FY 2017/18 through FY 2019/20)
4. Objectives and Eligible Activities for Specific Funding Programs (e.g., CDBG and HOME)
5. 2020 Income and Rent Limits
6. Human Services Commission Criteria for Review of HHSG Applications for FY 2021/22
7. Human Services Commission Statement of Priorities 2021/22 HHSG Program