

# Agenda Report

April 16, 2012

**TO:** Honorable Mayor and City Council  
**FROM:** Human Services and Recreation Department  
**SUBJECT: ADOPTION OF PASSPORT TO FUN YOUTH SCHOLARSHIP POLICY AND PROGRAM FOR HUMAN SERVICES AND RECREATION**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the approval of the Passport to Fun Youth Scholarship Policy and Program is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges) and State CEQA Guidelines Section 15061(b)(3) (General Rule); and
2. It is recommended that the City Council approve the proposed Passport to Fun Youth Scholarship Policy and Program for Human Services and Recreation programs and services (attachments A, B and C).

## **RECREATION & PARKS COMMISSION RECOMMENDATION:**

At its meeting of April 3, 2012, the Recreation & Parks Commission voted to recommend to the City Council that it approve the staff recommendation. The Commission also requested that the Human Services & Recreation Director include a provision in the policy that affords families who experience a family hardship or life event with an opportunity to participate in the program as needed.

## **BACKGROUND:**

On March 12, 2012, the City Council approved the Department's new pricing strategy and fee schedule. As part of that strategy, user fees were adjusted to avoid program reductions and staff layoffs due to the City's budget shortfall. Additionally, the revised fee structure is also designed to help maintain and even expand current programs.

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Under the plan, fees for existing programs are designed to increase modestly over the course of the next four years and will generally remain less expensive than comparable programs run by non-City agencies within the region. For those who may not have the ability to pay, a Passport to Fun Youth Scholarship Program is being proposed as part of the strategy to ensure all Pasadena youth residents have access to quality recreational programs. The City does not have a citywide scholarship program in place and the proposed program will expand recreational opportunities to all those who qualify.

The Passport to Fun will provide scholarships to participants age 17 and under living in Pasadena or attending a school within the Pasadena Unified School District. To provide for fair and consistent implementation of the program, the policy set forth includes a number of guidelines that outline qualifications to participate in the program, a process for approval, and parameters for the overall administration of the program. In addition to meeting residency requirements, families must meet the U.S. Department of Housing and Urban Development's (HUD) moderate, very-low to extremely-low income guidelines which are used to establish eligibility thresholds. The intent of this means-testing is to ensure program integrity which will be established in a manner that balances administrative simplicity and efficiency, and individual confidentiality and dignity, with the need to verify eligibility.

In the event a family is not able to provide the required documentation, the policy also lays out criteria for processing emergency scholarships and City staff will work with potential applicants to review / approve supplemental documentation that considers a family hardship or life event. As suggested by the Recreation and Parks Commission, the application and application instructions will be available in both English and Spanish and will be available on the City's website as well as all Community and Recreation Centers in hardcopy format.

In addition to offering the Passport to Fun Youth Scholarship Program, the Human Services and Recreation Department will continue to offer free and affordable recreational opportunities for youth as well as adults at City parks and recreation facilities. These activities include the Let's Move children's fitness program, adult aerobics, Guitars Not Guns program, ballet classes, 100 Pasadena Residents Get Fit, and adult Zumba to name a few.

### **ANALYSIS:**

As part of the analysis in framing the Passport to Fun Youth Scholarship Policy and Program, staff considered recommendations from the 2012 Pricing Strategy prepared by PROS Consulting that took into account best practices of similar programs throughout the nation. Staff also reviewed scholarship programs administered by the cities of Burbank, San Jose, Riverside, Fontana, Baldwin Park and Long Beach.

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These cities utilize HUD income guidelines to determine eligibility, which the Human Services and Recreation Department will rely on as well. Originally staff considered using the eligibility criteria for the National Free and Reduced Lunch Program to determine qualified applicants. However, based on the fact that this program does not require verifying proof of income and household size, staff determined that this method for qualifying families would not lend towards effective accountability and oversight of the program.

Key highlights of the policy are summarized below:

- Passport to Fun Youth Scholarships are allocated annually and are valid for the entire fiscal year in which it is granted and as funds are available.
- Up to \$150 annually will be available to Passport to Fun holders for general recreation contract classes, swim lessons and/or youth sports. These funds do not apply towards the After School Program or seasonal day camp fees.
- For general programs and activities (includes general recreation activities such as classes, youth sports, seasonal day camps or excursions), scholarships will be provided in the form of a discounted rate of 50% (meeting any of the required HUD income guidelines) off the total program/activity fee minus registration fee, if applicable and any supply fees. Programs not directly administered by City staff or independent contract class instructors are also not eligible for scholarships (e.g., private summer camps such as Camp Shi'ini, Tom Sawyer Camp, etc).
- Up to 50% (meets moderate to very low-income HUD guidelines) or 100% (meets extremely-low HUD income guidelines) scholarships will be available for children enrolled in the City's After School and seasonal camp programs.

### **COMMISSION CONSIDERATION AND COMMUNITY MEETINGS:**

This item was subject to a preliminary review by the Parks and Recreation Commission on March 6, 2012 and the City Council on March 12, 2012. Staff conducted three community meetings with a total of 40 residents in attendance to provide a conceptual review of the policy and gain feedback. Staff met with members of the Recreation Subcommittee of the Parks and Recreation Commission for review and input in developing the program and policy on two separate occasions. The Commission also requested that the Human Services & Recreation Department include a provision in the policy that affords families who experience a family hardship or life event with an opportunity to participate in the program as needed.

**ENVIRONMENTAL ANALYSIS:**

The proposed Passport to Fun Scholarship Program has been determined to be statutorily exempt from CEQA per Section 15273 (Rates, Tolls, Fares, and Charges). Under Section 15273, CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies which the public agency finds are for the purpose of:

1. Meeting operating expenses, including employee wage rates and fringe benefits,
2. Purchasing or leasing supplies, equipment, or materials,
3. Meeting financial reserve needs and requirements,
4. Obtaining funds for capital projects, necessary to maintain service within existing services areas, or
5. Obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter.

The proposed Passport to Fun Scholarship Program is an administrative function that meets requirements 1 and 5 of the statutory exemption as listed above.

Further, the Passport to Fun Scholarship Program does not commit the City of Pasadena to a definitive course of action and no construction activities will be undertaken pursuant to this amendment. Accordingly, this amendment is also exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15061(b)(3); the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**FISCAL IMPACT:**

The Passport to Fun Program is funded in multiple ways: (1) Fundraising, (2) the City's General Fund, and (3) User Fees (recreation classes, facility rentals, etc). The policy recommends that 5% of the net program revenues generated through recreation user fees to be allocated to the Passport to Fun Youth Scholarship Program on an annual basis. The Department does not anticipate directing recreational user fees into the Scholarship Fund during the 2012-13 Fiscal Year as the City will not net enough in user fee revenues to fund the scholarship program. The general fund combined with fundraising will be the primary source of income for the program the first year out.

In subsequent years, modest program fee increases will begin supplementing the Passport to Fun Program and these funds will carry-forward each fiscal year to ensure the scholarship fund balance remains healthy and grows as recreational opportunities offered by the Department increase.

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Finally, the Human Services and Recreation Director or their designee may adjust the actual percent going forward based on program increases, and on the demand for the program during the mid-year and/or annual budget update. Additional funding will be sought through donations and contributions by private donors, the Human Services and Recreation Department, and the Recreation and Parks Foundation.

Below is an overview of projected scholarship funding for the first year of implementation with projections based on current users accessing scholarships:

<b>Passport To Fun Needs*</b>	
<b>Program</b>	<b>Funding Need</b>
Aquatics – Lessons	\$8,550
After School Program*	\$530,500
Day Camps & Neighborhood Camps*	\$53,029
Youth Sports	\$5,840
Youth Soccer	\$15,750
Contract Programs	\$16,000
Youth Fitness/Boxing	\$600
<b>Total</b>	<b>\$630,269</b>

*\*Note: The assessment of scholarship needs is based on 2011 program experiences Passport to Fun will need approximately \$630,269 to provide the same level of scholarships; \$583,529 in scholarships will be offset by the City's general fund.*

Program registration fees collected in FY 2013 are scheduled to provide for \$583,529 in scholarships for the After School Program and seasonal camps. The Human Services and Recreation Department plans to raise \$46,740 in funds to provide support for classes, aquatics and other general recreation services. To date, in partnership with LA84 and the Recreation and Parks Foundation, the City has raised \$20,000 in scholarships with an additional \$26,740 in funding still needed. Staff will continue working with the Recreation and Parks Foundation to establish an annual fundraising campaign specifically for youth scholarships.

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The Passport to Fun Youth Scholarship Program will be reviewed on an annual basis with the Recreation and Parks Commission. Human Services and Recreation staff will track usage of the program on a consistent basis and the scholarship program may be subject to revisions and updates based on user needs, changes and/or demands of services/programs, as well as new and emerging community needs. Modifications to the discounts will also be considered annually as part of the City's budgetary process as presented to the City Council Finance Committee.

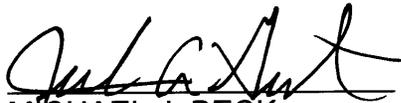
Respectfully submitted,



MERCY SANTORO

Director, Human Services & Recreation

Approved by:



For MICHAEL J. BECK  
City Manager



**“PASSPORT TO FUN” YOUTH SCHOLARSHIP PROGRAM POLICY**

**Mission**

The City of Pasadena is proud to provide Pasadena residents with a PASSPORT TO FUN - Youth Scholarship Program that enables qualified individuals to participate in recreational programs. The City recognizes the value of providing opportunities to individuals to participate in recreational activities, community events, youth sports and enrichment programs that benefit the community and its residents. This program is designed to assist individuals and families with monetary assistance to subsidize the financial requirements of recreation programs. The following information contains a list of guidelines to determine eligibility for the Citywide Passport to Fun Youth Scholarship Program.

The City of Pasadena provides scholarships to participants age 17 and under who live in Pasadena or attend a school within the Pasadena Unified School or a Pasadena school. Scholarships are approved based on the total gross family income and number of members in the household and guidelines established by the Federal Department of Housing and Urban Development (HUD) for housing and other programs for individuals and families of moderate, very-low to extremely-low income.

**2011-12 Housing & Urban Development Income Guidelines Used to Verify Eligibility**

Income Guidelines 2012 – figures will be updated according to the U.S. Department of Housing & Urban Development (HUD). HUD defines Extremely Low to Moderate Income Individuals / Families according to the following guidelines:

**Household’s Annual Family Income**

Number of Persons In Household	Extremely Low Income Limits	Very Low Income Limits	Low to Moderate Income Limits
1	\$17,950	\$29,900	\$47,850
2	\$20,500	\$34,200	\$54,650
3	\$23,050	\$38,450	\$61,500
4	\$25,600	\$42,700	\$68,300
5	\$27,650	\$46,150	\$73,800
6	\$29,700	\$49,550	\$79,250
7	\$31,750	\$52,950	\$84,700
8	\$33,800	\$56,400	\$90,200

## Background

On March 12, 2012, the City Council approved the Department's pricing strategy and fee schedule. User fees were adjusted in order to avoid program reduction and/or elimination due to the City's budget shortfall. The new recreation program fee structure is designed to help maintain and even expand current programs. Under the plan, fees for existing programs will increase modestly and are generally less than comparable programs run by non-City agencies. For those who may not have the ability to pay, the Pasadena Passport to Fun Youth Scholarship Program will be made available to ensure that all residents and minors attending Pasadena schools have access to quality recreational programs.

According to current City policy a "resident" is defined as "a person who lives, works, or attends school in Pasadena or attends a PUSD school." Based on this policy, those meeting the residency requirements are eligible for priority registration and can participate in the Passport to Fun Youth Scholarship Program.

## Guidelines

- Passport to Fun Youth Scholarships are allocated annually and are valid for the entire fiscal year in which it is granted and as funds are available.
- Up to \$150 annually will be available to Passport to Fun holders for regular classes, swim lessons and/or youth sports.
- A family is to notify the Pasadena Human Services and Recreation Department immediately if a family's income level has changed at any time during the fiscal year.
- All applications are considered confidential documents and will be stored and safeguarded according to the City's records management and retention policy.
- For general programs and activities (includes general recreation activities such as special interest and recreation classes, youth sports, day camps or excursions), scholarships will be provided in the form of a discounted rate of 50% (meeting any of the required HUD income guidelines) off the total program/activity fee minus registration fee, if applicable and any supply fees. Programs that are not either directly administered by City staff or independent contract class instructors are not eligible for scholarships (Camp Shi'ini, Tom Sawyer Camp, etc).
- Up to 50% (meets moderate to very low-income HUD guidelines) or 100% (meets extremely-low HUD income guidelines) scholarships will be available for children enrolled in the City's After School and seasonal camp programs.
- Passport to Fun Holders may be eligible for scholarships in the City's after school program, camps and general recreation programs as follows:
  - An example of a **maximum** (100% for after school and camp and 50% for general recreation activities) scholarship for a youth whose family meets the extremely-low HUD guidelines may be eligible for up to \$950 in scholarship for the City's After School Program, \$585 for summer camp (should the child enroll for the full 9-weeks) and \$150 for classes, swim lessons and youth sports, totaling \$1,685 in user fee reductions annually for a maximum discount.
  - An example of a partial scholarship (50% for general recreation activities, after school and camp) for a youth whose family meets the moderate to very-low HUD guidelines may be eligible for up to \$475 in scholarship for the City's After School Program, \$293 for summer camp (should the child enroll for the full 9-

## ATTACHMENT A

weeks) and \$150 for classes, swim lessons and youth sports, totaling \$918 in user fee reductions annually for a maximum discount.

- Passports may only be used for activities and programs offered by the Human Services and Recreation Department; and, other Pasadena-based service providers may elect to use the Passport to Fun qualification guidelines to provide subsidies within their own program; however, the City does not provide funding for recreational users of other service providers at this time.
- Receipt of Scholarship assistance for one fiscal year does not guarantee assistance for future years, which is based on the family meeting the HUD guidelines.
- Second child or sibling discounts do not apply to Passport holders.
- Scholarships are non-transferable and funding must be used within the fiscal year it is approved.

### **“Passport to Fun” Funding**

The Passport to Fun Program is funded in multiple ways: (1) Fundraising, (2) the City’s General Fund, and (3) User Fees (recreation classes, facility rentals, etc). The policy recommends that 5% of the net program revenues generated through recreation user fees be allocated to the Passport to Fun Youth Scholarship Program on an annual basis. These funds are to carry-over each year to ensure the fund balance remains healthy and grows as recreational opportunities offered by the Department increase. The Human Services and Recreation Director or his/her designee may adjust the actual percent based on program increases and on the demand for the program during the mid-year and/or annual budget update. Additional funding will be sought through donations and contributions by private donors, the Human Services and Recreation Department, and the Recreation and Parks Foundation.

### **Emergency “Passport to Fun” Scholarships**

In cases where individuals and family members cannot provide the necessary documentation for scholarship eligibility or a family hardship / life event warrants consideration of scholarship assistance, the Director of Human Services and Recreation or his/her designee may authorize participation in the program.

### **Appeals**

Decisions made regarding the Passport to Fun Youth Scholarship Program are final, but may be appealed to the Director of Human Services and Recreation or his/her designee for review. If an appeal is denied, it will be forwarded to the City Manager or his/her designee for future consideration.

### **Updates to the Policy**

The Passport to Fun Youth Scholarship Program will be reviewed on an annual basis with the Recreation and Parks Commission. Any future updates to the Policy will require City Council review and approval. Human Services and Recreation staff will track usage of the Program on a monthly basis. The Policy will be subject to revisions and updates based on user needs, changes and/or demands of services/programs, as well as new and emerging community needs. Modifications to the discounts will also be considered annually as part of the City’s budgetary process as presented to the City Council Finance Committee.



**"PASSPORT TO FUN" YOUTH SCHOLARSHIP PROGRAM  
APPLICATION INSTRUCTIONS**

**QUALIFICATIONS**

The City of Pasadena offers scholarships to participants age 17 and under, living in Pasadena or attending a school in Pasadena or is enrolled in the Pasadena Unified School District (PUSD). The program provides residents with a scholarship based on the Housing and Urban Development Moderate, Very-Low and Extremely Low-Income Guidelines.

**ELIGIBILITY CRITERIA**

The PASSPORT TO FUN program will operate in two steps. Step 1 is for the customer to submit the application at the facility of choice at least 2 weeks prior to the class registration period in order to "pre-qualify" and receive notification of award. Step 2 is for the customer to verify class selection, complete the registration process, pay any balance due and finalize registration prior to start of class.

PASSPORT TO FUN applications will be available at each Community Center and at other selected sites and may be downloaded online. Applications for the Pasadena PASSPORT TO FUN program and proof of eligibility will be accepted in person only at each Community Center and will be reviewed. If qualified, scholarships will be available for any season during the calendar year as funding permits.

PASSPORT TO FUN SCHOLARSHIPS apply to Recreation Classes and Activities offered by the Pasadena Human Services and Recreation Department. Examples include: Day Camp, After School Program, Recreational Classes, Aquatics and Youth Sports.

PASSPORT TO FUN SCHOLARSHIPS will be awarded on a first-come, first-served basis. Customer will be notified of award status with one week after submittal. There is a maximum award of \$150 per participant, per calendar year and is subject to available funding. (Excluding After School Program and Seasonal Camps)

Any refunds will be only for amount paid by customer. Refunds requested must follow the existing Pasadena Human Services and Recreation Department Refund Policies.

**HOW TO APPLY**

A scholarship form must be submitted with verification documents attached which includes:

**1. Proof of residency or Pasadena School/PUSD Enrollment**

✦ **Pasadena Resident** - Any current utility company (gas, electric, water telephone), bank statement, or government issued papers within the last 6 months.

✦ **Non-Resident/Pasadena School/PUSD**- Non-residents must submit a proof of enrollment from the Pasadena school the child attends, which states the child is currently attending that school.

**2. Proof of Household Size**

Any State and Federal Programs, that indicates household size, or in the case the family does not participate in these programs, birth certificates for each dependent must be provided.

**3. Proof of Enrollment or Proof of Income**

Parent or legal guardian currently participating in a State

**and/or Federal Assistance Program such as:**

Food Stamps, Section 8 Rent Subsidy, Pasadena Utility Assistance Program (EUP), Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), California Work Opportunity and Responsibility to Kids (CalWORKs), California Unemployment Benefits, Woman, Infants & Children (WIC), Kinship Guardianship Assistance Payments (Kin-GAP), Food Distribution Program on Indian Reservations (FDPIR)

**Or, proof of income from all wage earners in the family:**

Copy of most recent tax filing indicating gross income; last 4 concurrent pay stubs or benefit statements; divorce papers showing maintenance, etc. (if applicable).

**SCHOLARSHIP AMOUNT AND FREQUENCY**

The scholarship will cover 50% or 100% (see criteria below) of the listed fee to participate. The scholarship recipient is required to pay the remaining 50% of the listed price of the class.

- Any additional costs (supplies, etc.) are the responsibility of the recipient.
- After School Program and Seasonal Day Camps – 50% (meets moderate to very-low HUD income guidelines) to 100% (meets extremely-low HUD income guidelines) scholarships are available. Scholarship good for actual enrollment of child for entire program year (non-transferable).
- Aquatics, recreational classes, youth sports, youth soccer – 50% scholarship (meets any of the HUD income guidelines)

The maximum scholarship per person, excluding Afterschool Recreation and Day Camp programs is \$150.

**EMERGENCY PASSPORT TO FUN SCHOLARSHIP APPLICATIONS**

In cases where individuals or family members cannot provide the necessary paperwork for scholarship eligibility or a family hardship / life event necessitates scholarship assistance, referral agencies have the ability to identify individuals in the community who may benefit from the scholarship program. This includes referrals from PUSD staff and/or counselors, referrals from the Human Services and Recreation Department, and/or referrals from community organizations or individuals including social service agencies and churches. The Director of Human Services and Recreation or their designee will authorize emergency approval and determine conditions.

**HOW PASADENA MAKES SURE EVERYONE IS INCLUDED...**

- A percentage of revenue generated from recreation user fees is allocated to the program
- Private donations and charitable contributions, including from the Recreation and Parks Foundation
- City of Pasadena appropriates funds towards the program through its general fund
- **Fund-raisers, tournaments and other special events are other ways the City and Community can come together to ensure everyone is included!**



**"PASSPORT TO FUN" YOUTH SCHOLARSHIP PROGRAM APPLICATION**  
July 2012 - June 2013

Program Location / Center: \_\_\_\_\_ Today's Date: \_\_\_\_\_

Have you ever applied for a Pasadena scholarship? If so, when and where? \_\_\_\_\_

PROGRAM YOU ARE REQUESTING A SCHOLARSHIP FOR: (If you know your selection at the time of application)

Program Name (s)                      Program Session (s) (Fall, Winter, etc.)                      Program Date (s)                      Program Cost

**Applications accepted IN PERSON ONLY at the Community Center where program is offered. No Faxes Accepted.**

**Scholarships are awarded as funding is available and completion of this application does not guarantee approval of a Scholarship.**

**Please include copies of all required documents listed below as your application will not be processed without the information requested. All submitted information is kept strictly confidential.**

- Proof of Pasadena Residency (utility bill, letter from school verify current enrollment, etc.) and Proof of Identity
- Proof of restricted income, determined by State and/or Federal Level Programs such as: Subsidized Housing, Section 8 rent subsidy, AFDC, TANF, Food Stamps, Medi-Cal, WIC, SSI, CA Unemployment Insurance, U.S. Military Dependents or pay check stubs
- For emergency scholarships based on a family hardship or life event, please attach a separate letter identifying reason for need

**Participant Information (Please Print) - One Participant per Form—Non-transferable**

Last Name	First Name	Gender (M/F)	Date of Birth	Age
Address		Apt. #	City	Zip
			Phone	

**Parent or Legal Guardian (Please Print)**

Last Name	First Name	Home Phone	Cell Phone	Email
Address (if different than above)		Apt. #	City	Zip

**Secondary Adult or Legal Guardian (Please Print)**

Last Name	First Name	Home Phone	Cell Phone	Email
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**CUSTOMER ACKNOWLEDGEMENT AND DISCLAIMER**

The information provided is true and correct and the eligibility criteria has been met. Any falsification of information will be cause for immediate and automatic disqualification from this program. Customers are responsible for any additional costs (supplies, etc.) that are not covered by the scholarship funds. Participation in the Scholarship Program will be subject to all Policies and Procedures set forth by the City of Pasadena Human Services & Recreation Department.

**I understand that my signature below affirms to the best of my knowledge and belief that the above statements are true.**

**Print Name:** \_\_\_\_\_ **Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Office Use Only: Name of Supervisor Reviewing Application** \_\_\_\_\_

Date Reviewed: \_\_\_\_\_ Income Verified:  Yes  No    Residency Verified:  Yes  No    **APPROVED:**  Yes, amount \$ \_\_\_\_\_  No