

Agenda Report

DATE: SEPTEMBER 27, 1999

TO: CITY COUNCIL

FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: REPROGRAMMING OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FUNDS TO PUBLIC/HUMAN SERVICE ACTIVITIES (1999-2000 PROGRAM YEAR)

RECOMMENDATION:

It is recommended that the City Council approve the reprogramming of unexpended Community Development Block Grant (CDBG) funds in the amount of \$89,665 for the public/human service activities identified in Exhibit A.

BACKGROUND:

Earlier in the program year, the Human Services Commission was advised by the Housing and Development Department of the availability of \$89,665 from prior years unexpended CDBG funds which could be reprogrammed to eligible human/public service activities during the 1999-2000 Program Year. These funds are available as a one-time only supplemental allocation.

Subsequently, at the Commission's July 12, 1999 meeting, the Commission voted to recommend the reprogramming of the unexpended CDBG public service funds (\$89,665), on a one-time only basis, to those agencies who are currently funded under either the CDBG Program or the Human Services Endowment Fund (HSEF), during the 1999-2000 Program Year.

On July 19, 1999 reprogramming notices were sent to seventeen (17) eligible public/human service agencies based on the condition stated above. The notice provided details on the criteria for the reprogramming and the deadline date for submission of requests for reprogramming funds, along with other pertinent information.

A total of eleven (11) responses to the reprogramming notice were received by the established deadline date of August 2, 1999. Two (2) of the requests were determined to be ineligible. The two ineligible requests were for non-public service activities.

At the August 2, 1999 Commission meeting, the Housing and Development Department and Human Services, Recreation and Neighborhoods Department were requested by the Commission to formulate a recommendation in response to the reprogramming requests that were received.

Reprogramming Recommendation

On September 13, 1999, after review of the staff recommendation the Commission adopted the following formula and rationale for the reprogramming of funds as identified in Exhibit A. Exhibit A identifies the amount of the original proposal request; award amount; lessor of funding gap or reprogramming request; reprogramming recommendation and the recommended total award amount. Essentially, the Commission developed and adopted a mathematical formula which utilizes a three (3) step percentage reprogramming to be added to the respective applicants original award for Program Year 1999-2000. The resultant recommendation represents a total reprogramming of \$89,665 to nine (9) eligible public/human service activities.

	Activity/Program	Reprogramming Recommendation	Total Funding
1.	Armenian Relief Society <i>Social Services</i>	\$13,336	\$35,824
2.	City/Human Services Department <i>Pasadena Youth Center</i>	\$10,000	\$50,000
3.	El Centro de Accion Social, Inc. <i>Pena Juvenil Program</i>	\$15,259	\$62,351
4.	El Centro de Accion Social, Inc. <i>Villa Parke Senior Network</i>	\$14,040	\$58,313
5.	Foundation for Reconciliation <i>Project REAP</i>	\$11,335	\$30,447
6.	Los Angeles Urban League <i>Youth Development Program</i>	\$16,465	\$44,230
7.	Mother's Club <i>Mother's Club Community Center</i>	\$1,270	\$25,400
8.	Pasadena Unified School District <i>Young and Healthy</i>	\$4,120	\$44,120
9.	Urban Revitalization Dev. Corporation <i>Family Access to Health</i>	\$3,840	\$25,600
	TOTALS	\$89,665	\$376,285

Reprogramming Rationale

The Commission reprogramming recommendation was based on the following:

- Projects and activities currently under contract, which have a successful performance review (performance report provided at August 2, 1999 Commission meeting)
- Projects which continue to demonstrate a funding gap. (i.e., need exceeds current award)
- Projects which were funded at less than their annual requested amount.

Since all eligible applicants for reprogramming funds had met their performance requirements, the Commission recommended allocating the additional funds in equal proportions to an applicant's current 1999-2000 funding award, not to exceed either the

funding gap or the reprogramming request (whichever is less). The following narrative outlines the formula applied by the Commission.

Step 1

Consistent with the above concept, the following formula was applied:

$$\frac{\text{Total Available Reprogramming Dollars}}{\text{Total '99-00 Award Amt. of the 9 Eligible Applicants}} = \frac{\$ 89,665}{\$286,620} = 31\%$$

Accordingly, each of the nine eligible applicants was allocated up to an additional 31% over the original 1999-2000 award, *not to exceed* to the maximum request/funding gap amount for each applicant. Four applicants (Pasadena Youth Center, Mother's Club, PUSD Young and Health, and Urban Revitalization Development Corp./Family Access to Health) had funding gaps/requests which were less than the 31% formula figure, so they reached 100% of their funding gap/request. This step allocated \$69,057, leaving a balance of \$20,608.

Step 2

The same formula concept was applied to allocate funds to the remaining five agencies that still had a funding gap:

$$\frac{\text{Remaining Available Reprogramming Dollars}}{\text{Total '99-00 Award Amt. of the 5 Eligible Applicants}} = \frac{\$20,608}{\$160,730} = 12.82\%$$

Accordingly, each of the five remaining eligible applicants was allocated up to an additional 12.82% over the original 1999-2000 award, *not to exceed* to the maximum request/funding gap amount for each applicant. Two applicants (El Centro de Accion Social/Pena Juvenil Program, and El Centro de Accion Social/Villa Park Senior Network Program) had funding gaps/requests which were less than the 12.82% formula figure, so they reached 100% of their funding gap/request. This step allocated \$9,867, leaving a balance of \$10,741.

Step 3

Applying the same formula concept to the remaining three applicants who still had a funding gap:

$$\frac{\text{Remaining Available Reprogramming Dollars}}{\text{Total '99-00 Award Amt. of the 3 Eligible Applicants}} = \frac{\$10,741}{\$69,365} = 15.48\%$$

With this step the remaining balance (\$10,741) was allocated among the final three applicants.

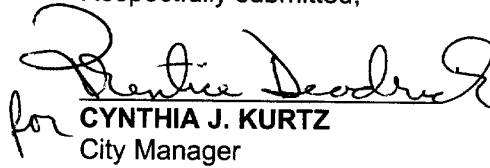
The final results of application of this formula, and the recommended allocation for each of the nine eligible applicants is identified in Exhibit A.

FISCAL IMPACT:

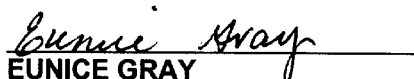
The funds referenced in this report are federal dollars. With respect to the delivery of the aforementioned public/human service, it is anticipated that the reprogrammed dollars will add to the service capacity of the currently funded community service activities.

There is no direct fiscal impact on the General Fund.


Respectfully submitted,


for **CYNTHIA J. KURTZ**
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