



# ADMINISTRATIVE REPORT

**TO:** COMMUNITY RELATIONS COMMISSION

**FROM:** DANIELLE THOE, HED SPECIALIST

**PREPARED BY:** CDD – NEIGHBORHOOD IMPROVEMENT AND HOUSING

**MEETING DATE:** FEBRUARY 17, 2016

**SUBJECT:** 2016-2017 COMMUNITY FUNDING RECOMMENDATIONS

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## RECOMMENDATION

That the Community Relations Commission provide recommendations for organizations to receive Community Development Block Grant funding for the 2016-2017 Program Year.

## BACKGROUND

Each year the City of San Mateo provides Community Funding grants for non-profit organizations that provide community services that serve low and moderate income residents of San Mateo using federal Community Block Grant Funds (CDBG). The federal regulations cap the amount of CDBG funds that can be used for this type of activity to 10% of the grant. In the past the City also designated a portion of its Redevelopment Housing Set-aside (HSA) Funds for agencies that provide housing related services. This year there are no longer HSA funds available due to the dissolution of the Redevelopment Agency.

The Community Funding program has been modified over the years for greater efficiency and effectiveness of public dollars granted to nonprofit agencies and to enable a more meaningful impact on the lives of those served. This has included a specific reservation for a grant for Core Services to Samaritan House and a normal funding cycle of two years. Last year other county jurisdictions also adopted 2 year cycles of funding. The City has chosen to fund this process for one year in 2013-14 in order to get in sync with other CDBG jurisdictions. This will enable applicants to submit applications to all jurisdictions at one time, for the next 2 year funding cycle in the county.

In addition, the CDBG jurisdictions within San Mateo County have worked together to provide a consolidated application process online through City Data Services (CDS). This is the first time the City of San Mateo has accepted applications using this process. This effort has resulted in a few challenges, but nothing that is significant or impacts the integrity of the process. Staff will work with the other jurisdictions and CDS to better clarify the information necessary for future applications.

The four (4) core service priorities for the Community Funding program are as follows:

- Basic Human Needs
- Youth Services
- Senior Services
- Preserving or Providing Affordable Housing.

As the advisory commission to the City Council for federal HUD grants programs, the Community Relations Commission (CRC) held a public hearing on October 21, 2015 to identify the Housing, Community Development and Public Service needs of San Mateo. At that meeting it was determined that there was no current compelling need beyond the already identified 4 core services. There are 7 CDBG grants available for public services addressing the core community needs. Agencies applied for the funds through an open process solicited through a Request for Proposals (RFP) issued December 8, 2015

### **PROPOSAL REVIEW**

Applicants uploaded the Consolidated Application including budget forms and other corporate documents to CDS. Supplemental documents were reviewed by staff. Particular attention was paid to agency audits and their findings. All organizations met the requirements and some notes are provided in the summary worksheet. The City received a total of 16 proposals that included 1 CDBG core service proposals, and 1 proposal responding to a call for Fair Housing Service Providers. The funding for Fair Housing is an administrative expense that is not included in this funding process.

Elements of each proposal are consolidated on to the Evaluation Summary 2016-17 form (Exhibit A) as well as indicators of past and present goal performance. Staff only commented on issues germane to the application process. Initial comments by members of the CRC have also been included. These are intended to provide background for discussion and are not intended to be final decisions by CRC members. The Evaluation Summary is presented as an informational tool and represents no specific recommendations. All applications reflect the administrative capacity of each organization.

The final recommendations will be a result of the Commission's consideration of the quality of the proposal and how well it addresses the needs of the community, individual commissioner perspectives based on their community knowledge and experience, responses to any clarification questions to applicant agencies or public testimony, and the organizational experience and capacity of the applicant agency. These recommendations will be incorporated into San Mateo's Annual Action Plan that will be approved by the City Council.

### **BUDGET IMPACT**

The final CDBG entitlement to the City for the 2016-17 program year has not yet been confirmed by HUD. Staff is unsure at this time what the impacts potential cuts to the federal budget will have on next year's CDBG program. Currently staff is estimating \$105,000 for this funding cycle. Any budget changes will impact the funding available for the 2016-17 program year and contracts will be amended in consideration of funding available.

With those considerations, the available CDBG grant awards for the program year are:

- 7 service grants for \$15,000 each.
- 1 core service grant for \$15,000 each.

All grants will be subject to contract execution in compliance with HUD regulations and upon final Council authorization of the Business Plan for the City of San Mateo.

### **CEQA/NEPA**

CEQA: All grants will be for Public Services, not construction; statutorily exempt per Section 15268 (a).

NEPA: Exempt per 24 CFR 58.34, Categorically excluded not subject to statutes per § 58.35(b), Categorically excluded subject to statutes per § 58.35(a), Environmental Assessment per § 58.36, or EIS per 40 CFR 1500.

**EXHIBITS**

A. RFP Evaluation Summary

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