

Lompoc City Council Agenda Item



City Council Meeting Date: October 7, 2014

TO: Patrick Wiemiller, City Administrator

FROM: Christie Alarcon, Community Development Program Manager
c_alarcon@ci.lompoc.ca.us

SUBJECT: Request for General Fund Allocation of \$25,000 to Fiscal Year 2015-16 Human Service Fund

Recommendation:

Staff recommends the City Council consider the Human Services Commission's request to allocate \$25,000 to the Fiscal Year 2015-16 Human Service Fund.

Background:

The City of Lompoc provides grants to non-profit agencies on an annual basis for human service activities, also known as public service activities. Funds for such grants are comprised of:

- Santa Barbara County Community Development Block Grant Urban County Partnership (CDBG-UCP);
- City of Lompoc Community Development Block Grant Program Income (CDBG-PI); and
- Human Service Fund Donations (Utility Billing Donations and Comcast Franchise Payment).

Up to 15 percent of the total allocation of Santa Barbara County CDBG-UCP funds can be used for human service activities. The County of Santa Barbara calculates the amount for each participating jurisdiction in the Urban County Partnership based upon a formula from the U.S. Department of Housing and Urban Development (HUD). The City of Lompoc has received the following CDBG-UCP funds:

Fiscal Year	Amount
2012-13	\$68,864
2013-14	\$58,246
2014-15	\$56,688

Per Title 24: Housing and Urban Development Part 570 – Community Development Block Grants, 24 CFR subsection 570.201(e)(1), “the amount of CDBG funds used for public services shall not exceed 15 percent of each grant, ... plus 15 percent of program

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income...” received during the grantee’s immediately preceding program year. It is important to note that 15 percent is the maximum amount that can be used for public service activities, not a minimum amount. Jurisdictions are not required to allocate funds to public service activities (although many needs and CDBG objectives could be met by doing so in Lompoc).

Human Service Fund Donations consist of funds received from the annual utility billing customer donation campaign, as well as a contribution required from Comcast Cable in the amount of \$25,000 annually. The amount received through the utility billing donations has averaged between \$15,000 and \$18,000 annually. One hundred percent of these funds are passed on to non-profit agencies to provide human service activities.

Discussion:

The Human Service Commission recognizes the City of Lompoc, like other jurisdictions, face financial constraints with continuing to fund essential City services. Human Service Fund activities are “essential” and reduce City costs by providing services to the community that could otherwise impact the City.

During fiscal year 2013-14 the following human service activities accomplishments were reported:

Projects and Activities	Allocation	CDBG UCP	CDBG Program Income	Human Service Reserves	Human Services Donations	Persons Served
Good Samaritan Shelter – Marks House	\$20,000	\$20,000				45
Catholic Charities – Lompoc Food Distribution	14,440	14,440				6,503
North County Rape Crisis and Child Protection	11,290	11,230	60			2,425
Community Action Commission	9,000	9,000				74
Lompoc Meals on Wheels	4,250	3,576			674	97
Family Service Agency – Big Brothers Big Sisters	1,000		1,000			45
Family Service Agency – Dorothy Jackson FRC	4,600		4,600			58
Foodbank – Lompoc Food Distribution	4,600		4,600			19,600
Legal Aid Foundation – Emergency Legal Services	9,000		9,000			180
Valley Haven Adult Day Program	1,500		500	1,000		23
Good Samaritan Shelter – Bridge House Shelter	6,680			1,000	5,680	256
Catholic Charities – Lompoc Community Services	10,300				10,300	4,081
Community Partners in Caring	3,240				3,240	234
Domestic Violence Solutions – Lompoc Shelter	9,000				9,000	46
Sexual Assault Response Team	2,500				2,500	6
Transitions – Lompoc RLC	3,300				3,300	173
United Boys & Girls Club – Lompoc Clubhouse	8,300				8,300	63
	\$123,000	\$58,246	\$19,760	\$2,000	\$42,994	33,909

The franchise agreement between the City and Comcast included a requirement for Comcast to contribute \$25,000 annually to the Human Services Commission for Human Services Commission activities. The State of California’s cable franchise will replace the City’s franchise on January 1, 2015. The State’s franchise does not require Comcast to continue the annual contribution and Comcast has indicated they will cease the annual payment. The final payment was received for the 2014 franchise year in December 2013. The loss of the Comcast \$25,000 annual contribution will result in a 21 percent decrease in funding available for the FY 2015-16 Human Service Fund.

Neighboring jurisdictions recognize the limited amount of funding available through CDBG funding and many have made available their General Funds for human services programs in their jurisdictions as follows:

Jurisdiction	General Fund	Other Funds
City of Carpinteria	\$ 97,900	\$ -
City of Goleta	20,000	-
City of Buellton	84,000	-
City of Santa Barbara	640,000	-
County of Santa Barbara	1,072,000	-
City of Thousand Oaks	-	100,000 ¹
City of Ventura	-	-
City of Simi Valley	-	-
City of Santa Maria	-	-

Fiscal Impact:

At their meeting of August 4, 2014, the Human Services Commission directed staff to request the Council consider a contribution of \$25,000 from the General Fund to the Human Service Fund for FY 2015-16. The Notice of Funding Availability (NOFA) for the FY 2015-16 process begins in the fall of 2014, and the Human Services Commission desires to include the requested contribution in the NOFA process. Lack of contribution from the General Fund potentially will negatively impact seven agencies (if we use the FY 2013-14 funding listed in the previous table of Projects and Activities as a reference).

The most recently published audited financial information for the fiscal year ending June 30, 2013, indicates the Human Services Fund to have \$56,246 in Unrestricted Fund Balance. Over the past 12 years, Unrestricted Fund Balance has fluctuated between \$48,228 as of June 30, 2005 and \$79,019 as of June 30, 2012 . Based on the average expenditure of funds for program activities of \$43,147 between FY 2002-2003 and 2013-2014, the fund’s reserves have fluctuated between 112 percent and 169 percent

¹ Endowment Interest.

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of expenditures. In comparison, the General Fund's Unrestricted Fund Balance reserves at June 30, 2013, were 17.6 percent of expenditures.

Conclusion:

The Human Services Commission has been charged with the duty of assessing community needs and requests and to provide the City Council with recommendations for fiscal support. The City Council is respectfully requested to support an allocation of \$25,000 General Fund monies to the Human Service Fund.

Respectfully submitted,

Christie Alarcon, Community Development Program Manager

APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:

Teresa Gallavan, Economic Development Director/Assistant City Administrator

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Patrick Wiemiller, City Administrator

HUMAN SERVICES COMMISSION

MEMO TO CITY COUNCIL



DATE: October 7, 2014

TO: Lompoc City Council

FROM: City of Lompoc Human Services Commission

CC: Patrick Wiemiller, City Administrator
Teresa Gallavan, Economic & Community Development Director /
Assistant City Administrator
Christie Alarcon, Community Development Program Manager

SUBJECT: REQUEST FOR GENERAL FUND ALLOCATION TO FY 2015-16
HUMAN SERVICES FUND

Comcast has made their final donation to the City of Lompoc in the amount of \$25,000 which was allocated to several non-profit agencies serving 33,900 Lompoc residents for fiscal year 2014-15 human services activities.

The Human Services Commission recognizes City of Lompoc, like other jurisdictions, face financial constraints with continuing to fund essential City services. Human Services Fund activities are “essential” and reduce City costs by providing services to the community that would normally be borne by the City.

During fiscal year 2013-14 the following human services activities accomplishments were reported:

Projects and Activities	Allocation	CDBG	CDBG Program Income	Human Service Reserves	Human Services Donations	Persons Served
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Catholic Charities - Lompoc Food Distribution	14,440	14,440				6,503
North County Rape Crisis and Child Protection	11,290	11,230	60			2,425
Community Action Commission	9,000	9,000				74
Lompoc Meals on Wheels	4,250	3,576			674	97
Family Service Agency - Big Brothers Big Sisters	1,000		1,000			45
Family Service Agency - Dorothy Jackson FRC	4,600		4,600			58
Foodbank - Lompoc Food Distribution	4,600		4,600			19,600
Legal Aid Foundation - Emergency Legal Services	9,000		9,000			180
Valley Haven Adult Day Program	1,500		500	1,000		23
Good Samaritan Shelter - Bridgehouse	6,680			1,000	5,680	256

Catholic Charities - Lompoc Community Services	10,300				10,300	4,081
Community Partners in Caring	3,240				3,240	234
Domestic Violence Solutions - Lompoc Shelter	9,000				9,000	46
Sexual Assault Response Team	2,500				2,500	6
Transitions - Lompoc RLC	3,300				3,300	173
United Boys & Girls Club - Lompoc Clubhouse	8,300				8,300	63
	123,000	58,246	19,760	2,000	42,994	33,909
		47%	16%	2%	35%	

The loss of the Comcast \$25,000 annual contribution will result in a 21% decrease in funding available for the 2015-16 Human Services Fund, this decrease results in a loss of services to 7,121 Lompoc residents.

The loss of the Comcast annual contribution is not the only decrease this fund is experiencing. Over the years the Community Development Block Grant allocation has decreased as well. Ten years ago the Human Service Commission was able to allocate \$178,000 to serve Lompoc residents. The estimated amount that will be available if the City Council does not approve a contribution to the Human Service Fund is \$70,987 (Estimating: 3% decrease from prior year \$54,987 + \$16,000 Utility Billing Contributions). This is a decrease over the past ten years of 61%.

Year	Human Services Funding	Year	Human Services Funding
2005	\$178,000	2010	\$161,867
2006	\$167,096	2011	\$134,965
2007	\$157,805	2012	\$137,000
2008	\$168,880	2013	\$123,960
2009	\$160,000	2014	\$119,000
2015 Estimated Funding \$70,987			

The Human Services Commission requests that the Lompoc City Council consider a contribution of \$25,000 to the Human Services Fund for Fiscal Year 2015-16.

Respectfully,

Barbara Holt, Chairperson

Michael Martinez, Vice-Chair

Nicolasa Sandoval, Ph.D., Commissioner

Paul Hill, Commissioner

Pam Wall, Commissioner

HUMAN SERVICES COMMISSION

MEMO TO CITY COUNCIL



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Respectfully,


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