



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Robert L. Davis

**SUBJECT:** COPS FY2009 GRANT  
APPLICATION

**DATE:** April 6, 2009

Approved

Date

4/6/09

**COUNCIL DISTRICT:** City-Wide

## **RECOMMENDATION**

Authorize the City Manager and Chief of Police to apply for grant funds through the COPS Hiring Recovery Program (CHRP).

## **OUTCOME**

This action will allow the City Manager and Police Chief, as required in the grant specifications, to apply for grant funds to fund Police Officer positions for three years.

## **BACKGROUND**

The COPS Hiring Recovery Program (CHRP) is funded through the American Recovery and Reinvestment Act (Recovery Act) of 2009 and provides funding directly to law enforcement agencies to hire or rehire law enforcement officers in an effort to create and preserve jobs, and to increase their community policing capacity and crime prevention efforts. There are three categories under the program to apply for funding: to hire new officers, including filling existing vacancies that are no longer funded in the budget; to rehire law enforcement officers who have already been laid off; and to rehire law enforcement officers who are currently scheduled to be laid off on a future date. One billion dollars has been allocated to this grant program.

## **ANALYSIS**

The CHRP application is due on April 14, 2009, and comes at a time when final decisions for the budget have not been made. With public safety high on the list of priorities, the City should take every opportunity to fund Police Officer positions. Final determination of the number of officers to apply for and the categories in which to apply will be based on several factors and is not yet

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determined, such as: budget forecast, a hiring plan, ongoing funding impacts, grant restrictions, academy schedules, etc. Listed below are key stipulations related to the CHRP grant. The City is still working with the COPS Office to understand key grant provisions that will inform the City's application.

1. CHRP grant funding is available on a competitive basis.
2. Funding covers 100% of the approved entry-level salary and fringe benefits of each newly-hired and/or rehired, full-time sworn law enforcement officer over a 36-month period.
3. There is no local match or cap on the amount of funding that can be requested.
4. The City must retain any CHRP-funded officer position awarded for at least 12 months after the 36 months of federal funding has ended for each position.
5. Any additional costs for higher than entry-level salaries will be the responsibility of the City.
6. The City may request funding for one or more of the hiring categories described above, based on the current budget situation.
7. If the City receives CHRP grant funds and after receiving the grant, the budget situation for the City changes requiring a change to one or more of the funding hiring categories for which it received funding, the City would need to request a post-award grant modification and must receive prior approval before spending CHRP funding.
8. There is a non-supplanting requirement. Non-supplanting means that COPS grant funds must be used to supplement (increase) local funds that would have been dedicated toward the grant purpose if federal funding had not been awarded.
9. The City may not reduce its budget for sworn officers just to take advantage of the CHRP grant. Any budget cut must be unrelated to the receipt of CHRP grant funds to avoid a violation of the COPS statute regarding the non-supplanting requirement.
10. CHRP grant funds must not be used to replace local funds that agencies otherwise would have devoted to sworn officer hiring. The hiring or rehiring of officers under CHRP must be in addition to, and not in lieu of, officers who otherwise would have been hired or rehired with local funds.
11. The City will be required to comply with all of the data tracking, collection and reporting requirements under the Recovery Act and CHRP on a timely basis. Reports are due quarterly, ten calendar days after each quarter end.
12. Funding can only be drawn down based upon immediate cash disbursement needs throughout the 36-month funding, and not as a lump sum payment.

Further, during the review of the City's application by the COPS Office, if the COPS Office reduces the number of positions requested, they will contact the City of San José to obtain a new number of officer positions for each category. The Department will work with the City Manager's Office to allocate these positions based on the current budget situation and respond to the COPS Office. As referenced above, the grant application will be based on current budget decisions and the affordability of ongoing associated costs after the 36-month grant cycle. If the budget situation worsens after the award of the grant, the City may request an adjustment of the hiring categories with respect to the number of police officers in each category. (See Bullet 7 above).

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With the above stipulations, the City believes that it is still advantageous to apply for this grant opportunity and would like to keep our options as flexible as possible to continue to sort out the additional details required to finalize our grant application. As noted, there remain additional details to work out and final decisions will be reflected in the grant application due April 14 and, subsequently, shared with the City Council in the City Manager's Weekly Report on April 17, 2009.

Finally, if the City receives an award, the Department will bring an appropriation action to City Council for review and approval once the final CHRP grant award is determined. If the COPS Office does not award CHRP funding to the City, the Department will notify the City Manager's Office. The estimated time frame to receive a final decision on this grant opportunity is late summer or early fall of 2009.

**PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum meets Criterion 1 and will be posted on the City's website for the April 7, 2009 City Council Agenda. This memorandum addresses the submission of this grant application only. If the City is successful at securing a grant award, the appropriation, grant acceptance, and position authorization will be brought forward to the City Council for review and approval and go through all the channels of public outreach at that time.

**COORDINATION**

This action has been coordinated with the City Manager's Office.

**COST SUMMARY/IMPLICATIONS**

If awarded federal funding for these positions, the City of San Jose must commit to retain the grant-funded officer positions for at least 12 months after the 36-month grant cycle. This investment is consistent with the commitment to find ways to fund the Police Department.

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The City's General Fund will be required to absorb the ongoing costs of these positions after the 36 months of federal funding expires. Additionally, the General Fund will be required to absorb any step increases and premium pays for officers during the 36 months of federal funding.

The following chart outlines the grant request and the General Fund obligation under the grant terms based on an assumption of 75 police officers. Calculations assume benefit costs at current rates, annual step increases, and retirement and cost of living estimated increases consistent with the 2010-2014 Five-Year Forecast released March 2009. It should be noted, consistent with the Information Memorandum dated 4/3/09 entitled Police & Fire Contribution Rate Projections, that due to recent declines in market performance the City's contribution to police and fire retirement costs is projected to significantly increase beginning in 2010-2011. These assumptions are not included in the chart below.

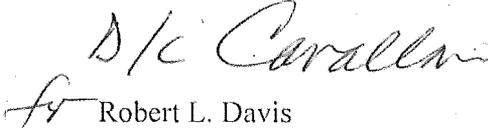
**Chart 1: Estimated General Fund Obligation Re: COPS Grants (75 Police Officers)\***

	Year 1	Year 2	Year 3	Total 3 Year	Year 4 Ongoing
Total Position Costs	7,772,019	9,551,772	10,267,078	27,590,896	10,952,585
Grant Request	7,523,855	8,977,604	9,556,023	26,057,482	-
<b>General Fund Costs</b>	<b>\$248,164</b>	<b>\$574,168</b>	<b>\$711,055</b>	<b>\$1,533,387</b>	<b>\$10,952,585</b>

\* Example only. Numbers are based on hiring all 75 at one time. A phased hiring plan is recommended over a multi-year period based on the City's fiscal condition and ability to absorb the ongoing fiscal impacts.

If awarded COPS grant funding for the assumed 75 positions, the total grant award would be \$26 million. The impact to the General Fund for incremental salary and benefit costs is estimated to be \$1.5 million during the grant period, plus ongoing salary and benefit costs of \$10.95 million after the 36-month grant cycle. Should new positions be added, additional one-time and ongoing non-personal and equipment costs of \$1.97 million and \$333,218 are estimated, respectively, which reflects an assumption of 75 police officers. One-time equipment costs may be partially offset with Asset Forfeiture funds or other grant funding if available. The total General Fund impact is estimated, without the increases to retirement contributions, based on an application for 75 police officers, which is still under consideration at the time that this report is written.

The grant terms do allow for a phased hiring plan and will fund 36 months based on the individual hiring date for each position. A phased hiring plan allows the City to determine the best police academy and recruiting schedule that is sensitive to the City's fiscal condition, resulting in a multi-year absorption of the total General Fund impact as noted above.

  
for Robert L. Davis  
Chief of Police

For questions please contact Lisa Perez, Chief Administrative Officer at 277-2450.