



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember Ash Kalra
Councilmember Kansen Chu

SUBJECT: SEE BELOW

DATE: January 6, 2012

Approved

Date

Ash Kalra
by J.O.

Kansen Chu

Jan. 6, 2012

**SUBJECT: PRIORITIES FOR EXPENDITURE OF COMMUNITY DEVELOPMENT
BLOCK GRANT FUNDS**

RECOMMENDATION

Accept Staff's recommendations, with the following changes:

1. With respect to the recommendations pertaining to senior services:
 - a. Set a target goal of \$400,000 in funding for senior-related services;
 - b. Adopt a broader definition of "isolation prevention" so as to include all senior services that reduce or prevent isolation, including but not limited to transportation services; and
 - c. Reduce the minimum grant size to \$50,000 for RFP/Qs relating to senior services;
2. With respect to the recommendations pertaining to emergency home repairs:
 - a. Of the \$400,000 earmarked for emergency home repairs, instead allocate \$300,000 for emergency home repairs (including water heater replacement, furnace repair, roof leaks, and electrical repairs); and
 - b. Allocate \$100,000 to Rebuilding Together (reducing their year-to-year allocation from \$250,000 to \$100,000) for similar activities as well as critical health and safety measures that go beyond the parameters of the emergency home repair program.

BACKGROUND

We are extremely concerned that on the heels of years of reductions to senior services and programs, additional cuts are scheduled to be made. We understand that it is not necessarily as simple as allocating CDBG funds from other CDBG-funded programs to senior-related services; however, we believe that a greater effort must be made to ensure that a safety net exists for our senior residents. Accordingly, in addition to the recommended allocation of \$200,000 of CDBG funds to senior related services, we are recommending that the City Manager identify potential

sources of funding in the amount of \$200,000 specifically for senior services. Our goal is not to take funding away from other services, but rather to prioritize finding this additional funding for senior services during the upcoming budget process.

In addition, it has been brought to our attention that staff's definition of "isolation prevention," while well-intentioned, may have the unintended impact of excluding other programs that could assist in combating senior isolation. Lastly, we are concerned that staff's recommendation of having a \$100,000 grant threshold may prevent many if not most of the 2011-2012 CDBG grantees from being able to apply for the grant. Reducing this threshold to \$50,000 will ensure that the experienced current grantees will be able to apply. We understand that this threshold was raised due to concerns regarding administrative costs; accordingly, staff should seek out any opportunities to work with outside agencies, such as the Health Trust, to see if there are any opportunities for multiple grantees to join as a consortium, thereby reducing City administrative costs.

With respect to the Community Development Improvement (CDI) Investment Strategy 3, we feel that during these tough times, it is important to recognize that it has been more difficult than ever for residents to maintain their homes in proper working order. Most disturbing is the degree to which some residents in fiscal dire straits have had to delay the most urgent of repairs. We are certainly appreciative of the staff recommendation to maintain a funding level equivalent to 80% of the current year budget for the Housing Minor Repair Program. Also, it is certainly appropriate to maintain a majority of those funds for improvements that would be deemed of an emergency nature. However, there are other critical health and safety measures that may qualify as an "emergency" yet are still critical. Rebuilding Together puts a lot of effort into addressing emergency home repairs. In addition, they focus on certain critical needs, such as wheelchair ramps and grab bars, which, although not necessarily under the category of emergency, are still important improvements for the lives of struggling residents. Often times, critical health and service improvements are done in conjunction with emergency home repairs as part of a total package of improvements to deteriorating homes. Additionally, given the universal concern regarding decreased funding for senior services, as evidenced by the supplemental staff memo dated January 6, 2012, these kinds of repairs are needed more than ever for our aging population. In fact, 92% of Rebuilding Together's clientele is either seniors and/or disabled members of our community. With all of this in mind, we hope that this slight adjustment in allocation, without a suggested increase in the overall funding allocation to Strategy 3 of CDI grants, will be acceptable to our colleagues and city staff.