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CITY OF OAKLAND 15 APR 24 AM 8:45

AGENDA REPORT

TO: OAKLAND CITY COUNCIL

FROM: John A. Flores
Interim City Administrator

SUBJECT: Oakland Private Industry Council Grant

DATE: April 21, 2015

COUNCIL DISTRICT: Citywide

OUTCOME

Adoption of the proposed resolution for a \$250,000 administrative support grant to the Oakland Private Industry Council (OPIC) is expected to stabilize the organization's operations without any interruption or diminishment in services.

EXECUTIVE SUMMARY

OPIC has requested City support for its operations in the amount of \$250,000. On March 24, 2015, the Community and Economic Development Committee approved a motion directing the City Administrator to meet with OPIC staff and work together to identify funding estimated at \$250,000 for the needed gap to ensure continuity of services without interruption through June 30, 2015. At a meeting held with OPIC and City staff on April 3, 2015, OPIC indicated it has continuing financial challenges due to reductions in funding sources, has depleted its reserves, and its staff had experienced a loss in wages over the past several years, in order to maintain its contracted level of program services.

The attached resolution has been prepared for City Council consideration to authorize the City Administrator to provide the OPIC with a one-time administrative support grant in the amount of \$250,000.

BACKGROUND/LEGISLATIVE HISTORY

The OPIC is a long-standing public benefit corporation that has provided employment and training services for tens of thousands of Oakland residents. The City Council adopted a resolution on June 23, 2014, authorizing the City Administrator to provide a one-time administrative support grant to OPIC in the amount of \$50,000, see Resolution No. 85071 C.M.S. The report and resolution for that grant stated no specific purpose or expected outcome. That grant was disbursed last year pursuant to an executed grant agreement between the City and OPIC.

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Staff has concerns that, with limited funds, additional requests will be made by OPIC in future years unless OPIC receives some assistance to stay within their authorized budget. It is suggested that the City Auditor works with OPIC to identify and manage revenues and expenditures and to develop a monitoring process that will assist OPIC maintain a balanced budget in future years.

PUBLIC OUTREACH/INTEREST

There was no public outreach required for this report further than posting the report on the City's website.

COORDINATION

This proposed grant was coordinated by City Council leadership and the City Administrator's Office, with input from OPIC. The report has been reviewed by the Office of the City Attorney and the Controller's Bureau.

COST SUMMARY/IMPLICATIONS

The funding for this administrative support grant derives from General Purpose Fund (1010) Emergency Contingency Reserve organization (90611), Contract Contingency Account (54011), Citywide Activities Program (IP50).

SUSTAINABLE OPPORTUNITIES

Economic: There is an opportunity of ensuring that services to over 1,300 clients will not be interrupted or diminished, thus resulting in numerous job placements for unemployed, low-income clients.


Environmental: No environmental opportunities were identified in the preparation of this report.

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Social Equity: The OPIC serves low-income and disadvantaged Oakland job seekers.

For questions regarding this report, please contact John Flores at 238-3301

Respectfully submitted,

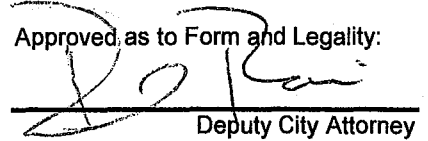


John Flores, Interim City Administrator

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Approved, as to Form and Legality:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

**A RESOLUTION AUTHORIZING A \$250,000 ADMINISTRATIVE
SUPPORT GRANT TO THE OAKLAND PRIVATE INDUSTRY
COUNCIL, INC.**

WHEREAS, the Oakland Private Industry Council, Inc. (OPIC) is a long-standing public benefit corporation that has served tens of thousands of Oakland residents; and

WHEREAS, the OPIC has requested support from the City to sustain its ongoing operations; now therefore be it

RESOLVED: That the City Council hereby authorizes a one-time administrative support grant in the amount of \$250,000 to the Oakland Private Industry Council, Inc.; and be it

FURTHER RESOLVED: That funding for the grant payment shall come from General Purpose Fund (1010) Emergency Contingency Reserve Organization (90611), Contract Contingency Account (54011), Citywide Activities Program (IP50); and be it

FURTHER RESOLVED: That the funds shall be disbursed pursuant to a fully-executed grant agreement between the City and the OPIC; and be it

FURTHER RESOLVED: That the City Administrator and his/her designees are hereby authorized to negotiate and enter into a grant agreement and take whatever action is necessary with respect to said grant consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES – BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT
GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California