



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Sara Bedford
Director, Human Services

SUBJECT: AC-OCAP 2021 CSBG Resolution
and CSBG CARES Act Resolution

DATE: November 30, 2020

City Administrator Approval

Date: December 9, 2020

RECOMMENDATION

Staff Recommends That City Council Adopt The Following Legislation:

1. A Resolution:

Accepting Anti-Poverty Community Services Block Grant (CSBG) In The Amount Of One Million Three Hundred Ninety-Six Thousand One Hundred Fifty-Eight Dollars (\$1,396,158) Awarded By The California Department Of Community Services And Development For The 2021 Program Year;

Amending Resolution No. 88174 C.M.S., Which Adopted The Fiscal Year 2020-21 Mid-Cycle Budget Amendments, To Appropriate The Additional Sixty Thousand Two Hundred Seventy-Six Dollars (\$60,276) In CSBG Grant Funds Awarded By The California Department Of Community Services And Development For The 2021 Program Year;

Authorizing The City Administrator To Accept And Appropriate Any Additional CSBG Funds Awarded By The California Department Of Community Services And Development For The 2021 Program Year, Without Returning To Council;

Authorizing The City Administrator To Amend Existing Agreements To Increase The Amount And Extend The Term As Permitted By The California Department Of Community Services And Development, Without Returning To Council; And

Authorizing The Use Of General Purpose Funds To Pay The Human Services Department's Central Services Overhead Charges For 2021 CSBG Programs, Which Are Estimated To Be One Hundred Twenty-Seven Thousand Two Hundred Thirty-Five Dollars (\$127,235); AND

2. A Resolution:

Accepting And Appropriating Supplemental Community Services Block Grant

(CSBG) Funds In The Amount Of One Million Nine Hundred Thirty-Three Thousand Eight Hundred Thirty Dollars (\$1,933,830) Awarded By The California Department Of Community Services And Development Under The Coronavirus Aid, Relief And Economic Security Act To Prevent, Prepare For And Respond To The Coronavirus (COVID-19) Pandemic; And

Waiving The Competitive Bidding Process And Awarding A Professional Services Agreement To The Family Independence Initiative In An Amount Not To Exceed One Million Two Hundred Sixty Thousand Dollars (\$1,260,000) To Administer Critical Economic Relief Assistance To CSBG Eligible Clients Impacted By COVID-19.

EXECUTIVE SUMMARY

This report provides the City Council with a recommendation to adopt two resolutions to 1) accept and program anti-poverty Community Services Block Grant (CSBG) in the amount of one million three hundred ninety-six thousand one hundred fifty-eight dollars (\$1,396,158) awarded by the California Department Of Community Services And Development for the 2021 program year; and authorize the use of general purpose funds to pay the Human Services Department's central services overhead charges for 2021 CSBG program year, which is estimated to be one hundred twenty-seven thousand two hundred thirty-five dollars (\$127,235); and 2) accept and appropriate supplemental Community Services Block Grant (CSBG) funds in the amount of one million nine hundred thirty-three thousand eight hundred thirty dollars (\$1,933,830) under the Coronavirus Aid, Relief And Economic Security (CARES) Act to prevent, prepare for and respond to the coronavirus (COVID-19) pandemic; and waive the competitive bidding process and award a professional services agreement to the Family Independence Initiative in an amount not to exceed one million two hundred sixty thousand dollars (\$1,260,000) to administer critical economic relief assistance to CSBG eligible clients impacted by COVID-19.

The services provided through AC-OCAP's Community Economic Opportunity (C.E.O) network supports the agency mission of creating pathways that lead to economic empowerment for the 150,419 (9 percent) Alameda County residents documented by the U.S. Census as living below the Federal poverty level as of July 2019. These funds will be used to help support the goals and strategies outlined in AC-OCAP's 2020–2025 recently adopted Strategic Plan to support the needs of Alameda County's residents with low-incomes by helping to increase their self-sufficiency and improve their family's overall economic well-being.

BACKGROUND / LEGISLATIVE HISTORY

In 1971, the Federal government designated the City of Oakland as a public Community Action Agency responsible for administering various anti-poverty programs and services as part of President Lyndon B. Johnson's 1964 "War on Poverty". These Federal CSBG funds are

administered through the U.S. Department of Health and Human Services and managed by the State of California's Department of Community Services & Development (CSD). The CSBG formula for local funding allocations is based on the number of residents living below the Federal poverty level as captured by the United States (U.S.) Decennial Census.

In 2011, the State Department of Community Services and Development expanded Oakland's geographical territory to include all of the cities within Alameda County, except the City of Berkeley, approved through City Council Resolution No. 83589 C.M.S. As a result, the Alameda County – Oakland Community Action Partnership (AC-OCAP) was established. Unlike other funding governance structures, federal regulations mandate that a public entity shall administer the Community Services Block Grant program through a *tripartite board* that fully participates – ensuring maximum feasible participation of the poor in the development, planning, implementation, and evaluation of the program(s) to serve low-income communities (Public Law 105-285, SEC. 676B; 42 U.S.C. § 9901).

Alameda County's CSBG funding is administered by the City of Oakland's Human Services Department (HSD) through the Community Action Partnership Governing Board (City Council) and the federally mandated 18 member Tripartite Administering Board which includes nine (9) community members who represent the low-income community and are democratically selected, six (6) elected officials or their designees, and three (3) members who represent other groups and interests that serve the low-income community.

On March 27, 2020, in direct response to the COVID-19 pandemic, Congress enacted the CARES Act which appropriated supplemental CSBG funds to all 50 states "to prevent, respond to, or prepare for coronavirus." The AC-OCAP's Community Economic Opportunity (C.E.O) network is part of 1,000 Community Action Agencies located throughout the 50 states representing an estimated 34.0 million (10.5 percent) people living in poverty per the 2019 U.S. Census Bureau data.

ANALYSIS AND POLICY ALTERNATIVES

In the United States, a family is considered poor if their pre-tax income falls below the Federal poverty threshold. The U.S. Census Bureau uses income thresholds that vary by family size and composition to determine who is living in poverty. Based on the 2020 federal poverty guidelines, the income threshold for an individual living in poverty is \$12,760 annually (around \$6.13 per hour). In comparison, the federal minimum wage is \$7.25 per hour, California's minimum wage is \$13.00 per hour, and Oakland's minimum wage is \$14.14 per hour.

In Alameda County, the overall poverty level is at 9 percent (150,419 residents) as of July 2019, down from 11.3 percent (181,194 residents), the City of Oakland's poverty level for the same duration is 17.6 percent (76,213 residents) down from 8.9 percent (78,521) in 2018. **Table 1** is a highlight of the Alameda County-Oakland Community Action Partnership's service population and a comparison of Alameda's County 2013-2017 American Community Survey (ACS) data, and the 2010 and 2000 low-income population census data as outlined in AC-OCAP's 2020-2021 State approved Community Action Plan (CAP).

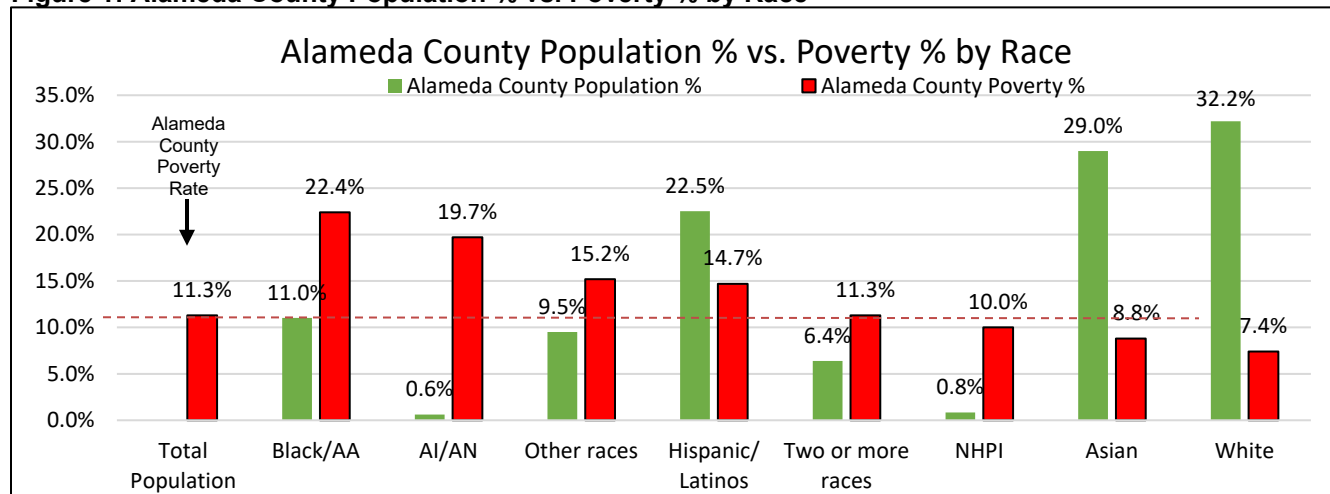
Table 1: Alameda County Low-Income Population

Alameda County & Oakland's Low-Income Community Profile							
	2000 Below Poverty Level	% of total Pop.	2010 Below Poverty Level	% of total Pop.	2013-17 ACS Poverty Level	% of total Pop.	# change from 2010
Alameda County	156,804	11.0%	172,348	11.7%	181,194	11.3%	8,846
Oakland	76,489	19.4%	74,335	19.3%	77,347	18.7%	3,012
AC w/o Oakland or Berkeley	60,820	6.4%	79,543	8.1%	82,425	7.6%	2,882
AC-OCAP Areas	137,309	9.6%	153,878	10.4%	159,772	9.9%	5,894
			AC-OCAP serves		88.2%		66.7%
Berkeley	19,495	20.0%	18,470	18.4%	21,422	19.8%	2,952

Source: US Census Bureau 2000, 2010, American Community Survey 5-Year Estimates – 2013-2017

When race is factored into the equation, the chart below (**Figure 1**) shows that the percentage of people living in poverty for African Americans, American Indian/American Native, Native Hawaiian, Other Races, and Two or more races exceeds their population percentage. It is worth noting, that while African Americans account for only 11.0 percent of the County's population, 22.4 percent (39,521) live in poverty. This is nearly double the County's poverty percentage and more than triple the percentage of Whites at 7.4 percent (who are 32.2 percent of the County's population) or Asians at 8.8 percent (who are 29 percent of the County's population).

Figure 1: Alameda County Population % vs. Poverty % by Race



Source: US Census Bureau, 2013-2017 American Community Survey 5-Year Estimates - S1701

The AC-OCAP will receive \$1,396,158 in Federal Community Services Block Grant (CSBG) funds to provide services to the 150,419 Alameda County low-income residents who reside within the agency's service area; this translate into an allocation of \$9.28 per resident. Due to the current COVID-19 Pandemic, the AC-OCAP has received CARES Act funds in the amount of \$1,933,830 to provide critical economic relief to CSBG eligible clients. As of November 16, 2020, the total number of confirmed COVID-19 cases in Alameda County were 26,047 with 490

confirmed deaths. For a detailed analysis by age, race, and jurisdiction visit <https://covid-19.acgov.org/data.page>.

In direct response and as required by the CSBG CARES Act “to prevent, respond to, or prepare for coronavirus”, AC-OCAP is seeking approval to waive the competitive process in order to partner with the Family Independence Initiative (FII) to mitigate the financial impact on AC-OCAP low-income clients by utilizing their UpTogether technology platform. FII’s platform is in the best interest of the city as it will allow AC-OCAP and its partners to deploy financial assistance directly into low-income households, whereas other platforms/debit cards are not able to serve undocumented participants. In addition, this partnership will allow AC-OCAP direct access to the aggregated data and information in real time to how the dollars are being utilized so that the agency can evaluate and access the impact of the investment as a strategy for addressing poverty.

The AC-OCAP also applies an equity lens in its delivery of services and in evaluating and assessing community needs, particularly those of Black, Latinx, Indigenous, People of Color (BLIPOC). This vital, yet flexible funding provides critical support to AC-OCAP’s contracted 2020-2022 Community Economic Opportunity (C.E.O.) network of funded grantees and partners. To strengthen the network, the Administering Board has recently adopted its 2020–2025 Strategic Plan which centers on the following refined five organizational focus areas all aimed at eradicating poverty (**Attachment A**):

1. **Entrepreneurship/Job Training & Employment Placement** to help people with low-income and the hard to serve population build skills that lead to employment;
2. **Low-Income Housing** to increase opportunities that help people with low-income access safe temporary shelter and/or stable affordable housing /homeownership;
3. **Community Development** to increase access, opportunities, and resources within Alameda County’s low-income communities;
4. **Civic Engagement & Advocacy** to increase public awareness and empower people with low-income and the community to take action;
5. **Capacity Building** that fosters and expands the agency’s capacity to address and eradicate poverty.

FISCAL IMPACT

The Human Services Department’s 2021 Federal CSBG allocation is included in the City’s fiscal year (FY) 2020 - 2021 Adopted Policy Budget, of which \$1,335,882 is appropriated in the Department of Health and Human Services Fund (2128), CSBG -Programs (78361/78362/78363), CAP/CSBG 2021 Program Project (1004480/1004481). Additional 2020 CSBG CARES Act funds received in the amount of \$1,933,830 are in Fund (2128), Project (1005318), CARES Act CSBG (78361) with a contract period of March 27, 2020 to May 31, 2022. Approval of the two resolutions will authorize acceptance of grant funding in the amount of \$1,396,158 in 2021 CSBG funding and \$1,933,830 in CSBG CARES Act funding and an amendment to increase the existing appropriations. Additionally, the General Purpose Fund provides an operating subsidy to CSBG in the amount of \$83,644, for the 2021 CSBG period.

The State 2021 CSBG contract administrative costs are capped at 12 percent; therefore, HSD is requesting, as it has in prior years, a contribution from the General Purpose Fund in an amount equivalent to Central Services Overhead estimated at \$127,235. Failure to accept the Federal CSBG renewal funds and CSBG CARES Act would result in a decrease of \$1,396,158 in 2021 CSBG revenues and \$1,933,830 in CSBG CARES Act funding for vital support and services to Oakland's and the surrounding Alameda County's (excluding Berkeley) low-income families.

If additional grant funds become available from the grantor (CSD), within the existing 2021 program year for the same purpose, staff is seeking authorization to accept and appropriate funds, including contract amendments and extensions into subsequent years, without returning to Council.

PUBLIC OUTREACH / INTEREST

AC-OCAP holds its monthly Administering Board meeting, which is open to the public, the second Monday of every month at 5:30pm currently via ZOOM as a result of Shelter In Place orders and the COVID-19 Pandemic. Residents can also get more information on upcoming board meetings, and current programs and services by visiting the agency's website at www.AC-OCAP.com.

COORDINATION

The Office of the City Attorney, Budget Bureau, and the Department of Workplace and Employment Standards have been consulted in the development of this report and resolutions.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

Since 1971, the City of Oakland's Community Action Agency has been leveraging its Community Services Block Grant (CSBG) funds to help address poverty at the local level. With the support of Federal CSBG funding, AC-OCAP has been able to identify gaps in services and support innovative programming geared toward improving the overall quality of life for low-income residents by providing access to job training, entrepreneurship, food security, education, employment, housing stability, affordable housing, life skills-training, legal services, health care, food stamps, Earned Income Tax Credit, financial education, asset building, and other essential services. AC-OCAP and the Administering Board plans to present its annual informational report to the City Council in March of 2021 to report on the impact and outcomes of the first of a three-year funding cycle (2020-2021) for its 2020 calendar year of programming and an update on its CARES Act programing.

The Human Services Department and AC-OCAP are monitored by the State of California every three years and continues to receive a clean CSBG fiscal/program monitoring report and audit.

For forty-nine (49) years, the City of Oakland's Community Action Agency has had a track record in making a difference in the lives of thousands by "*helping people, changing lives.*"

SUSTAINABLE OPPORTUNITIES

Economic: AC-OCAP programs and services directly impact the employability of Oakland's and the surrounding Alameda County's low-income residents by providing access to education, technology, employment training, job opportunities, and financial empowerment all designed to help families achieve an increased level of self-sufficiency and economic well-being.

Environmental: The implementation and support for increasing access to weatherization, public transportation, and the availability of healthy, fresh local foods directly contributes to decreasing Oakland's and the surrounding Alameda County's overall carbon footprint.

Race and Equity: AC-OCAP will continue to focus its programming and advocacy on supporting the City's goal of utilizing a race and equity lens to deliver services to Oakland's low-income residents. Benefits of focusing on diversity and inclusion ensures everyone is provided with the amount of resources required to achieve success and improved their well-being.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt the following legislation:

1. A Resolution:

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For questions regarding this report, please contact Estelle Clemons, AC-OCAP Program Director at 510-238-3597.

Respectfully submitted,



SARA BEDFORD
Director, Human Services Department

Prepared by:
Estelle Clemons, Program Director
AC-OCAP Division

Attachments (1):

A: 2020-2025 AC-OCAP Strategic Plan