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OFFICE OF THE CITY CLERK
OAKLAND

2016 APR 14 PM 1:09

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Sara Bedford
Director, Human Services

SUBJECT: AC-OCAP 2016 CSBG Funding For
Covenant House California and
Alameda Family Services

DATE: April 6, 2016

City Administrator Approval

Christina Duffler S32L

Date:

4/13/16

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Amend Grant Agreements With Covenant House California And Alameda Family Services To Extend the Term of the Grant Through 2016 and Increase Grant Funding In An Amount of \$50,000 each In Alignment With The Alameda County – Oakland Community Action Partnership 2015-2016 Community Services Block Grant Funding Cycle For The 2016 Program Year.

EXECUTIVE SUMMARY Why now and how much

This report requests adoption of a resolution to extend and amend grant agreements for the 2015-2016 Community Services Block Grant (CSBG) funding cycle for the calendar year 2016, in an amount of \$50,000 each, with Covenant House California and Alameda Family Services (DreamCatcher). This is a follow-up action to the January 19, 2016 City Council meeting rescinding funding for these agencies pending a legal opinion from the City Attorney regarding a potential conflict of interest. The resolution herein is consistent with the recommendations issued in the February 5, 2016 City Attorney legal opinion and with state regulations and in alignment with Alameda County – Oakland Community Action Partnership's (AC-OCAP) State approved 2016-2017 Community Action Plan. The AC-OCAP's Administering Board approved this recommendation on March 14, 2016.

BACKGROUND / LEGISLATIVE HISTORY

- **On December 15, 2015** the Alameda County Community Action Partnership presented its annual report and a resolution to the Life Enrichment Committee (LEC) requesting approval for its second year of funding for its 2016 CSBG anti-poverty programming based on its two year 2015-2016 Request for Partnership (RFP) application process and funding cycle.

Item: _____
Life Enrichment Committee
April 26, 2016

Per LEC's published (December 15, 2015) meeting minutes:

- A motion was made by Councilmember Guillen and seconded by Councilmember Brooks to receive and forward the *annual report* to the meeting of the Oakland City Council, to be heard January 5, 2016 and the motion carried; and
- A motion was also made by Councilmember Guillen and seconded by Councilmember Brooks to approve the funding recommendations of staff and forward the *resolution* to the meeting of the Oakland City Council to be heard January 5, 2016, and the motion carried.

At the **January 5, 2016** Oakland City Council meeting, the resolution was withdrawn and rescheduled by Councilmember Brooks and seconded by Councilmember Reid to the meeting of the Oakland City Council to be heard on January 19, 2016 as a non-consent item.

On **January 19, 2016**, at the Oakland City Council meeting, a motion was made by Councilmember McElhaney and seconded by Councilmember Guillen to receive the AC-OCAP Annual report; and

A motion was made by Councilmember McElhaney and seconded by Councilmember Guillen to adopt the resolution as amended - to rescind the grant awards from DreamCatcher (Alameda Family Services) and Covenant House California pending the review and determination by the City Attorney regarding a possible conflict of interest for an AC-OCAP board member (per City Council's January 19, 2016, published meeting minutes).

On **February 5, 2016**, the Office of the City Attorney issued a public legal opinion to the Director of Human Services on the "Potential Conflict of Interest of an AC-OCAP Board Member and the Process to Address Conflicts". The opinion stated 1) a Board member had an impermissible conflict of interest with respect to the CSBG Funding Allocation to DreamCatcher and Covenant House; 2) to address the conflict, the Board's Program Planning Committee should conduct a new process to recommend reallocation of the funds by reviewing and evaluating existing proposals, and then the full Board should review and consider the Committee's recommendation and make a recommendation to the City Council. The California Department of Community Services and Development, the State department that administers the CSBG funding, advised City staff that the City may reallocate the funds and stated that DreamCatcher and Covenant House are eligible to participate in the new reallocation process (**See Attachment A**).

On **February 23, 2016**, AC-OCAP staff received a resignation letter from the Board Member identified as having a conflict of interest, effective immediately.

- On **February 24, 2016** and **March 8, 2016**, the Board’s reconstituted Program Planning Committee held two special meetings to review the 18 proposals submitted under Housing and Community Development and consider scores and comments from reviewers, program focus, needs and gaps in service, amount requested, leveraged funds, and number of years previously funded by AC-OCAP. Based on the Program Planning Committee’s thorough review and AC-OCAP’s 2016-2017 needs assessment regarding the lack of housing for homeless youth, the committee voted to bring before the full Administering Board at its March 14, 2016 meeting, the recommendation to fund Covenant House and Alameda Family Service (DreamCatcher) for the 2016 funding cycle.
- On **March 14, 2016**, the AC-OCAP Administering Board voted to accept the Program Planning Committee’s recommendation to fund Alameda Family Services (DreamCatcher) and Covenant House California for AC-OCAP 2016 funding cycle and to forward this recommendation for approval to the City Council.

ANALYSIS AND POLICY ALTERNATIVES

The AC-OCAP continuously strives to identify, according to the census 2009-2013 American Community Survey (ACS), the 188,501 Alameda County underserved low-income resident’s existing and emerging needs through activities such as community surveys, focus groups, civic engagement, monthly public meetings, and community forums. Our housing analysis revealed the lack of support for homeless youth in Alameda County. As a member organization of the Alameda County’s Every One Home Coalition, data further shows that there are more than 1,700 homeless youth, ages 14-23, living on the streets at any given time in Alameda County. In addition, according to a report prepared by the University of Pennsylvania - Commercial Sexual Exploitation of Children in the U. S., Canada, and Mexico, sixty percent (60%) of Commercial Sexual Exploited Children (CSEC) are homeless.

Therefore, based on AC-OCAP’s analysis, the Administering Board recommends awarding a second year of funding to Alameda Family Services (DreamCatcher) and Covenant House California as part of its 2016 funding cycle. See **Table 1**: Grant Agreements.

TABLE 1: GRANT AGREEMENTS			
2016 AC-OCAP Programming (Grantee)	Program Title	Grant Agreement	Allocation (not to exceed)
Alameda Family Services	DreamCatcher Youth Services	Grant Agreement	Oakland \$50,000
Covenant House California	Shelter and Transitional Living Programs for Homeless Young Adults	Grant Agreement	Oakland \$50,000
TOTAL			\$100,000

FISCAL IMPACT

1. Funding for the above action will be derived from the Federal Community Services Block Grant administered through a contract by the State of California Department of Community Services in the amount of \$1,270,145 and AC-OCAP funding for anti-poverty programming throughout Alameda County (excluding the City of Berkeley) for calendar year 2016.
2. The Human Services Department CSBG allocation is included in the City's two-year adopted budget, of which \$1,258,856 is appropriated in the Department of Health and Human Services Fund (2128), CSBG Administration Organization (78361), and CSBG – Program Organization (78362), and CAP/CSBG Administration Fiscal Year 2015-2016 Project (G484910).

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

Since 1971, AC-OCAP has been leveraging its CSBG to help fight America's war on poverty on the local level. With the support of 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, education, employment, affordable housing, life skills-training, legal services, health care, food stamps, Earned Income Tax Credit, financial education, asset building, and other essential services to help them become more self-sufficient.

For 2015, as a part of AC-OCAP's Community Economic Opportunity (CEO) network model, Alameda Family Services (DreamCatcher) has provided essential homeless shelter programming for children ages 13-18 and then youth often transition into placement at Covenant House California – Oakland, which serves young adults, ages 18-23. It is worth noting that both agencies provide services to Alameda County's vulnerable Commercially Sexually Exploited Children (CSEC) population. In addition, Alameda Family Services (DreamCatcher) and Covenant House California, continues to meet or exceed their deliverables and is therefore being recommended for a renewal grant for calendar year 2016.

Case Studies of How Community Action Helps People Change Their Life...

DreamCatcher Youth Services

Lisa, is a girl who at 17, had been un-stabilized and repeatedly homeless for over four years. She previously lived with her mother in another state where she was molested repeatedly. Her mom decided to move her to be with her Dad in California. However, her father was angry, resentful, and potentially violent. Lisa became a chronic runaway and was hospitalized several times. Child Protective Services reports were done, but evaluated out and she was finally put into the system in a high level institutionalization. She came to AC-OCAP's DreamCatcher after getting out of the mental health facility as a manic depressive by self-report, confused about her gender, and needing and wanting to be every one's friend. While she was at DreamCatcher she became stable and obtained her GED. DreamCatcher was also able to find her stable independent housing and she has been accepted into the Hack the Hood program. Lisa continues to receive support services. She is working and making plans to go to college.

Covenant House California - Oakland (CHC-O) Shelter and Transitional Living for Homeless Young Adults

Kara had only been at AC-OCAP's CHC-O for five months, but she had completed the 90 day program, demonstrated great skill and dedication, and transitioned into the Rights of Passage Program. She came to staff saying that she could not bear to continue working two part time jobs at minimum wage because the cost of transportation and the drain of the commute were just wearing on her heavily. She asked if CHC-O could provide her with vocational training to become a Certified Nursing Assistant.

Kara took the initiative and found a training agency, while AC-OCAP helped by funding her vocational training efforts. Kara completed the training and went on to complete several other nursing program certifications that increased her skills, knowledge, and confidence level. Kara is now certified by the State and was able to obtain a full-time job earning twice the program hourly wage.

PUBLIC OUTREACH / INTEREST

The Alameda County – Oakland Community Action Partnership Board noticed and held public meetings to discuss and review funding recommendations on February 24, 2016, March 8, 2016 and March 14, 2016. In addition, AC-OCAP holds its regularly scheduled monthly Administering Board meeting, which is open to the public, the second Monday of every month at 5:30 pm at City Hall. Residents can also get more information on current programs and services by visiting the agency's website at www.AC-OCAP.com.

COORDINATION

Coordination has occurred between the Human Services Department, Office of the City Attorney, Controller's Bureau, and the California Department of Community Services Development in the preparation of this report and resolution.

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, training, and job opportunities designed to help families achieve an increased level of self-sufficiency.

Environmental: No environmental impact.

Social Equity: AC-OCAP will continue to focus its efforts on supporting the City's goal of providing social equity for all of Oakland's low-income residents.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution authorizing the City Administrator to amend Grant Agreements with Covenant House California and Alameda Family Services to extend the grant term through 2016 and increase grant funding in an amount of \$50,000 each, in alignment with the Alameda County – Oakland Community Action Partnership 2015-2016 Community Services Block Grant Funding Cycle for the 2016 Program Year.

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

Respectfully submitted,


SARA BEDFORD
Director, Human Services Department

AC-OCAP Division
Prepared By: Estelle Clemons, Manager

Attachment A – Letter to Sara Bedford, Director of Human Services Department (from the Office of the City Attorney dated February 5, 2016 Re: Potential Conflict of Interest)

ATTACHMENT

A

Letter from Office of the City Attorney

Dated: February 5, 2016

Re: Potential Conflict of Interest

CITY OF OAKLAND



ONE FRANK H. OGAWA PLAZA • 6TH FLOOR • OAKLAND, CALIFORNIA 94612

Office of the City Attorney
Barbara J. Parker
City Attorney

(510) 238-3601
FAX: (510) 238-6500
TTY/TDD: (510) 238-3254

February 5, 2016

Sarah Bedford
Director, Human Services Department
City of Oakland

**Re: Potential Conflict of Interest of AC-OCAP Board Member
and the Process to Address Conflicts**

Dear Ms. Bedford:

I. INTRODUCTION

On behalf of the Alameda County–Oakland Community Action Partnership (“AC-OCAP”) Board, you requested advice regarding whether a member of the Board had an impermissible conflict of interest with respect to the 2015-16 AC-OCAP Community Service Block Grant (“CSBG”) funding allocations.

Based on the information City staff for the AC-OCAP provided to this Office, we have determined that a Board member had an impermissible conflict of interest with respect to the CSBG funding allocations to Dream Catcher and Covenant House for the following reasons: 1) the Board member participated in the process of recommending Dream Catcher for funding while the Board member was a paid consultant for that entity; and 2) the Board member became a paid consultant for Covenant House approximately 30 days after the Board recommended that the Council award funding to that entity.

Applicable law and the City's contract with the state require that the City inform the state of the conflicts of interest, and City staff has done so. The California Department of Community Services and Development advised that the City may reallocate the funds and stated that Dream Catcher and Covenant House are eligible to participate in the new reallocation process.

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II. PROCESS FOR REALLOCATION OF FUNDS

We recommend that the Board's Program Planning Committee conduct a new process to recommend reallocation of the funds by reviewing and evaluating existing proposals. Then the full Board should review and consider the Committee's recommendation and make a recommendation or recommendations to the City Council.

Any Board member who has a conflict of interest in connection with any agencies when the Board is considering funding allocations must announce his/her interest to the Board in an open meeting, and recuse himself/herself from the review and recommendation process. This means that the Board member may not participate in discussions (formal or informal) with other Board members regarding the funding recommendation, and may not vote or otherwise participate in the process regarding the matter (e.g., review and rank proposals, discuss and/or make recommendations, or take other action). Furthermore, Board members may not enter into and must terminate any financial relationships with agencies that receive funds for the duration of the funding agreement.

III. BOARD MEMBERS MUST RECUSE THEMSELVES WHEN THEY HAVE A CONFLICT OF INTEREST AT THE TIME THE BOARD IS CONSIDERING FUNDING ALLOCATIONS

The City's CSBG contract with the State of California prohibits a Board member, and any members of his/her immediate family, his/her partner, or any organization that employs or is about to employ the Board member from having a financial or other interest in an agency that is selected for a funding award. The California Political Reform Act further prohibits a Board member who has a "financial interest" in any agencies that are considered for funding from participating in the selection and recommendation process. Cal. Gov't Code § 87100.

The California Political Reform Act considers a "financial interest", among other things, to include:

- any source of income to a Board member exceeding \$500 during the preceding 12 months,
- any for-profit business entity in which a Board member has an investment of \$2,000 or more, or holds a position as director, officer, partner, trustee, employee or manager,
- any source of gifts to a Board member exceeding \$460 during the preceding 12 months,
- any real property in which a Board member has an interest of at least \$2,000, and

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- a Board member's own finances or the finances of his or her immediate family members. Cal. Gov't Code § 87103.

There are numerous additional interests that could constitute a financial interest. Board members concerned about any financial, business or other relationships with organizations considered for funding should contact staff for advice regarding recusal.

IV. TERMINATION OF FINANCIAL AND OTHER CONFLICT RELATIONSHIPS WITH AGENCIES THAT RECEIVE CSBG FUNDS

The CSBG contract further provides that Board members may not establish a financial relationship with an agency that receives CSBG funds - i.e., the member cannot accept anything of monetary value from such agencies. This applies for the duration of the funding contract. This also means that agencies that receive CSBG funding allocations may not hire or provide anything of monetary value to any Board member for the duration of their CSBG grant. Therefore the City may not fund an agency that provides compensation or fees to a current Board member.

The City Attorney's Office will provide a comprehensive training on conflict of interest laws applicable to Board members to the Board.

Very truly yours,



BARBARA J. PARKER
City Attorney

Attorney Assigned:
Amber Macaulay

1847519v2

2016 APR 14 PM 1:09

Approved as to Form and Legality

OAKLAND CITY COUNCIL


City Attorney

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO AMEND GRANT AGREEMENTS WITH COVENANT HOUSE CALIFORNIA AND ALAMEDA FAMILY SERVICES TO EXTEND THE GRANT TERM THROUGH 2016 AND INCREASE GRANT FUNDING IN AN AMOUNT OF \$50,000 EACH IN ALIGNMENT WITH THE ALAMEDA COUNTY – OAKLAND COMMUNITY ACTION PARTNERSHIP 2015-2016 COMMUNITY SERVICES BLOCK GRANT FUNDING CYCLE FOR THE 2016 PROGRAM YEAR

WHEREAS, the City of Oakland has received Anti-Poverty Community Services Block Grant (CSBG) funding since 1971; and

WHEREAS, the State of California Department of Community Services and Development (CSD) has made available CSBG funds for calendar year 2016; and

WHEREAS, the Alameda County - Oakland Community Action Partnership (AC-OCAP) 2016 CSBG allocation from CSD is \$1,270,145 for 2016 program year, which was accepted by the City pursuant to Resolution No. 85967 C. M.S.; and

WHEREAS, the City's two-year adopted budget appropriates said funds of \$1,258,856 in the Department of Health and Human Services Fund (2128), CSBG-Administration Organization (78361) and CSBG – Program Organization (78362), CAP/CSBG Administration FY 2015-2016 Project (G484910); and

WHEREAS, these funds will be used to provide program administrative support and direct services to Oakland's and Alameda County's (excluding Berkeley) low-income citizens to help them become self-sufficient as outlined in the State approved 2016-2017 AC-OCAP Plan; and

WHEREAS, services provided will be in accordance with Federal and State subcontractor provisions, regulations, and guidelines for eligible activities under the CSBG program; and

WHEREAS, pursuant to Resolution No. 85967 C.M.S., passed on January 19, 2016, the City Council authorized the use of the 2016 CSBG funding for grant agreements with approximately 23 service providers; and

WHEREAS, the AC-OCAP Board recommends allocating the remaining \$100,000 in funding to Alameda Family Services and Covenant House California to provide housing related services; now, therefore, be it

RESOLVED: That the City Administrator, or her designee, is hereby authorized to execute amendments to the grant agreements for the remaining 2016 CSBG Programming with the following service providers and in alignment with the State-approved 2015-2016 Community Action Plan:

GRANT AGREEMENTS			
2016 AC-OCAP Programming (Grantee)	Program Title	Grant Agreement	Allocation (not to exceed)
Alameda Family Services	DreamCatcher Youth Services	Grant Agreement	Oakland \$50,000
Covenant House California	Shelter and Transitional Living Programs for Homeless Young Adults	Grant Agreement	Oakland \$50,000
TOTAL			\$100,000

; and be it

FURTHER RESOLVED: That the City Administrator or her designee is authorized to amend the above-referenced agreements to increase grant amounts to service providers if additional CSBG grant funds become available, without returning to Council; and be it

FURTHER RESOLVED: That said grant agreements shall be approved as to form and legality by the Office of the City Attorney and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

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