



Agenda Item A.1
WORKSHOP
Meeting Date: March 14, 2019

TO: Mayor and Councilmembers

FROM: Michelle Greene, City Manager

CONTACT: Dana Grossi, Management Analyst

SUBJECT: Fiscal Year 2019-20 Funding Process for Support to Other Agencies

RECOMMENDATION:

- A. Provide independent competitive funding opportunities for initiatives related to homelessness and economic development by directing the City Manager to issue Requests for Proposals (RFPs) for targeted services in these categories.
- B. Provide funding to the Goleta Union School District (GUSD), Santa Barbara Unified School District (SBUSD), and the Coalition for Sustainable Transportation (COAST) by negotiating separate multi-year agreements with these agencies to provide targeted services to the community.
- C. Provide funding to agencies that operate at City-owned facilities by negotiating directly with the agencies to provide programming and services aligned with the City's needs and priorities.
- D. Provide funding to the Foundation for Girsh Park through a negotiated agreement for continued park maintenance and recreational needs.
- E. Provide direction to staff on whether to create a separate competitive funding opportunity for community needs and priorities that do not fall into any of the above categories.

BACKGROUND:

The City Council appropriated \$500,000 in the Support to Other Agencies line item (Account No. 101-5-1100-223) for the Fiscal Year (FY) 2018-19 budget. On October 2, 2018 the City Council approved the Grant Funding Review Committee's FY 2018-19 funding recommendations under the Support to Other Agencies line item with one change, increasing the grant amount for the Goleta Chamber of Commerce (Chamber) by \$62,500, bringing the Chamber's total funding amount to \$125,000 for Visitor Services marketing efforts. This change effectively increased the original appropriation from \$500,000 to

\$562,000. At that meeting, the City Council also authorized the City Manager to execute agreements for each funded agency. Each agreement contained a specific scope of services with a required end-of-year report for each agency to submit shortly after the end of the current fiscal year (June 30, 2019). The reporting requirement provides an opportunity for the agencies to share program outcomes and successes, while also serving as a mechanism for the City to capture each agency's achievements in a standardized documented format.

During the October 2, 2018 meeting, staff also shared observations about the funding application submittal, review, and selection process, and suggested categorizing future funding requests into similar "groups" such as economic development or homelessness initiatives, and subjecting those groups to their own independent process in the future. Staff also suggested that certain services provided by governmental agencies may more appropriately receive City funding through non-competitive single or multi-year agreements (such as through a Memorandum of Understanding), as long as the Council desired to continue funding those services. At the meeting, the Council provided staff with comments on the Support to Other Agencies FY 2018-19 process and shared ideas for how the process could be further refined. Staff was directed to return with revisions to the Support to Other Agencies Program Guidelines (Guidelines) and recommendations for the next fiscal year.

This report revisits salient elements of the discussion held on October 2, 2018 and proposes several recommendations aimed at solidifying the funding process for the upcoming FY 2019-20.

DISCUSSION:

The revisions to the Guidelines (Attachment 1) take into account the City Council's comments provided at the October 2, 2018 meeting. The staff suggestions from that report have also been further reviewed and at this time, staff are recommending changes to the overall process of awarding funds to agencies, focusing primarily on the upcoming FY 2019-20.

Categorization of Service Types

The first step of staff's review was to analyze all funded agreements for FY 2018-19 and categorize each of the various services and programs. An outline of proposed categories and a suggested process for funding and oversight of each category in future years is detailed in the following sections of this report.

The proposed categories include:

1. Homelessness Initiatives
2. Economic Development/ Marketing and Promotions
3. Government/Interagency Agreements
4. City Facilities/Recreation Facilities
5. Miscellaneous Community Programming (as needed)

Staff have developed recommendations to accompany the first four proposed categories, subject to the City Council's approval:

Recommendation 1 - Provide independent competitive funding opportunities for initiatives related to homelessness and economic development by directing the City Manager to issue Requests for Proposals (RFPs) for targeted services in these categories.

Homeless Initiatives

At the October 2, 2018 meeting, Council discussed the possibility of moving certain categories (i.e. service types) formerly funded through the Support to Other Agencies line item to their own separate review and funding process. One such category discussed was services to the homeless. The City is currently coordinating with the County of Santa Barbara on Phase 2 of the Community Plan to Address Homelessness for Santa Barbara County. This second phase will consist of a comprehensive effort providing an opportunity for cities to partner by creating an "annex" to the County's plan for their jurisdiction. Staff also understand that addressing homelessness in Goleta will require the development of a homelessness strategic plan and a multi-disciplinary and planned approach involving several agencies.

With this in mind, staff are recommending that a RFP be released in the spring that calls for a targeted community response among service providers to address homelessness in Goleta. The homeless service providers formerly funded through Support to Other Agencies would have an opportunity to receive funding through this RFP process, as would other providers that may have interest in the City's solicitation. Table 1 below is a summary of the various agencies funded through Support to Other Agencies this current year that would fall into the Homelessness Initiatives category.

Table 1. Homelessness Initiatives

Agency	Type of Service	Funded Amount for Current FY (2018-19)	Recommended Funding Process	Recommended Funding for FY 2019-20
Home for Good, Santa Barbara County*	Partner with Goleta Restorative Policing Program	\$13,300	RFP	To be determined
Salvation Army	Transitional Housing (2 beds)	\$19,110	RFP	To be determined
Freedom Warming Centers*	Emergency sheltering during inclement weather	\$5,000	Possible funding through Goleta City Grant Program and/ or subject to RFP process	To be determined

*With respect to the Freedom Warming Centers and Home for Good of Santa Barbara County, these agencies submitted grant applications through the recently advertised 2019-20 Community Development Block Grant (CDBG)/ Goleta City Grant Program opportunity. The respective agencies' applications will

be reviewed by the City's standing Grant Funding Review Committee for possible funding under one of those programs.

Staff further recommend that funding for homelessness initiatives and services be allocated in the Neighborhood Services and Public Safety Department in the upcoming FY 2019/20 Budget. The reason for this shift in budgeting is to align the department's efforts with the CDBG program, the City Grant Program, and the homelessness strategic plan with funding for other homelessness initiatives, like those listed in the table above. It is believed that centralizing all efforts and functions pertaining to homelessness will be more efficient and result in a more effective approach.

Economic Development/Marketing and Promotions

Staff also understand from the October 2 discussion that a separate funding process may also be appropriate for agencies that address the City's various economic development needs. Thus, staff are proposing an Economic Development/Marketing and Promotions category. The City's existing Economic Development Strategic Plan adopted in 2009 may help to inform the scope of a targeted RFP to solicit responses from agencies that play an important role in the City's economic development. Agencies such as the Goleta Chamber of Commerce and the Goleta Old Town Community Association would be invited to respond to the RFP.

Table 2 below includes the various agencies funded through Support to Other Agencies this year that would fall into the Economic Development/ Marketing and Promotion category.

Table 2. Economic Development/ Marketing and Promotion

Agency	Type of Service	Funded Amount for Current FY (2018-19)	Recommended Funding Process	Recommended Funding for FY 2019-20
Goleta Chamber of Commerce	Visitor Services Program	\$125,000	RFP	To be determined
Goleta Old Town Community Association	Discover Old Town Marketing and Promotion	\$41,500	RFP	To be determined

Staff recommend that funding for economic development and marketing/promotion activities be allocated in the Economic Development Program budget in the Neighborhood Services and Public Safety Department budget, in order to consolidate similar efforts, increase program efficiency and effectiveness and avoid duplication of effort.

In summary, staff are recommending the release of two RFPs; one for Homelessness Initiatives and the other for Economic Development/Marketing and Promotions, for funding in FY 2019/20. Funding for each category would be determined during the upcoming two-year budget workshops, as described later in this report.

Recommendation 2 - Provide funding to the Goleta Union School District (GUSD), Santa Barbara Unified School District (SBUSD), and the Coalition for Sustainable Transportation (COAST) by negotiating separate multi-year agreements with these agencies to provide targeted services to the community.

Agreements currently exist whereby the City has agreed to provide funding to another governmental agency, or for which there is a regional partnership involved, in return for services that address unique community needs. The proposed category for consolidating these types of agreements is Government/Interagency Agreements. The following bullets include the agencies that would fall into this category that received Support to Other Agencies funding in FY 2018/19:

- **COAST** - The City has an agreement with COAST to provide bicycle and pedestrian safety education to youth through the Safe Routes to School Program (SR2S). The City has consistently contributed \$6,000 per year to support SR2S, which is a program that fills a unique need, reducing school zone traffic and encouraging healthy physical activity and educating youth to keep them safe. The SR2S program operates at six Goleta schools: Kellogg, Ellwood, Brandon, La Patera, Goleta Valley Junior High, and Dos Pueblos High School. COAST is a regional partnership that relies on funding from public agencies on the South Coast, including the City of Santa Barbara, County of Santa Barbara, City of Carpinteria, and the City of Goleta. Each agency contributes an amount based on the number of schools within the respective jurisdiction. Funding from the jurisdictions is necessary, in that it leverages a Santa Barbara County Measure A Safe Routes to School grant. Funding from the City of Goleta serves as local match funding for the Measure A grant: For every \$1.00 contributed by the City, \$1.56 in Measure A funds are leveraged. Without this multi-agency collaboration with COAST, Measure A funds would not be available.
- **GUSD** - The City has an agreement with the GUSD to provide crossing guards at four elementary schools in Goleta: Brandon, Ellwood, Kellogg, and La Patera. The City has consistently contributed \$20,000 per year to help pay for the cost to have crossing guards at key City intersections, an essential service that ensures the safety of students. The GUSD funds the remaining balance (\$20,000) to provide the crossing guards. Altogether with the City's funding, funding totaling is provided \$40,000 annually at the four Goleta schools.
- **SBUSD** - The City has an agreement with the SBUSD to support the after-school sports program at Goleta Valley Junior High. The City has contributed \$13,000 annually, which allows for ongoing high-quality programming for youth after the school day has ended. Sports include boys and girls soccer, basketball, volleyball, flag football, cross-country track and field, ultimate Frisbee, and a gaming team. The program, formerly provided by the Police Activities League (PAL), provides an important community service for students that helps to build their character, leadership skills, and develop responsibly in a safe environment.

Since the services listed above are unique and specialized, it is impractical for these three agencies to compete for funding if these are services the City Council desires to continue. Therefore, staff suggests that agreements be created (in the form of multi-year MOUs) to allow the respective agencies to continue providing services with funding certainty year-to-year. Table 3 below includes the three agencies with a recommended funding amount proposed for FY 2019/20, which at this time assumes a continuation at existing levels. The proposed funding is for illustration purposes only; the City Council is not being asked to make funding decisions at this time.

Table 3. Governmental/Interagency Agreements

Agency	Type of Service	Funded Amount for Current FY (2018-19)	Recommended Funding Process	Recommended Funding for FY 2019-20
Coalition for Sustainable Transportation (COAST)*	Bike/ Pedestrian Safety; Measure A eligibility	\$6,000	Noncompetitive/ Negotiate MOU	\$6,000
Goleta Union School District (GUSD)	Crossing Guard Program- Student Safety	\$20,000	Noncompetitive/ Negotiate MOU	\$20,000
Santa Barbara Unified School District (SBUSD)	After School Youth Sports Programming	\$13,000	Noncompetitive/ Negotiate MOU	\$13,000

*With respect to COAST, this agency recently submitted a grant application for SR2S through the CDBG/ Goleta City Grant Program process, requesting an increase in funding from past years to \$10,000. COAST's request will be discussed among the Grant Funding Review Committee for possible funding under one of those programs.

It is recommended that funding allocations for Governmental/Interagency Agreements be budgeted in the Support to Other Agencies line item in the Neighborhood Services and Public Safety Department budget because they pertain to safety and recreation programs.

Recommendation 3 – Provide funding to agencies that operate at City-owned facilities by negotiating directly with the agencies to provide programming and services aligned with the City's needs and priorities.

There are several agencies that operate programs and services at City-owned facilities that may be more efficiently and appropriately funded outside of a competitive grant process. The City has existing lease agreements with the Goleta Valley Historical Society (GVHS), South Coast Railroad Museum (SCRR), and Goleta Valley Community Center (GVCC). Staff recommend that funding for these agencies be provided through negotiated agreement and as appropriate, executed as amendments to the existing lease agreements to include the specific allowable activities and uses at the respective properties. The City has a unique opportunity through its ownership of these facilities to more actively be involved in decisions about the various activities and programming that

occur throughout the year at the sites, directing City funding (through negotiated agreement) to uses that most appropriately fulfill the City's identified priorities and needs. The GVHS, SCRR, and the GVCC would fall into the proposed category of City Facilities/Recreation Facilities. Pertaining to the GVCC, it should be noted that the City's Support to Other Agencies funding is provided specifically to support the Senior Program. View Table 4 below for a list of all agencies being proposed for this category.

Recommendation 4 - Provide funding to the Foundation for Girsh Park by negotiating an agreement for continued park maintenance and recreational needs.

Girsh Park is the City's largest community-wide park that provides essential recreational opportunities and services at a 25-acre facility. The City of Goleta has provided ongoing financial support to the Foundation for Girsh Park (Foundation) for programmed recreation that the City is not able to directly provide. In recognition of the essential recreational services this park offers, staff recommend that an agreement be negotiated (likely in the form of a multi-year MOU) with the Foundation with funding to support the park's ongoing maintenance and programming needs. The Foundation is included within the proposed City Facilities/ Recreation Facilities category (as shown below in Table 4).

Table 4. City Facilities/ Recreation Facilities

Agency	Type of Service	Funded Amount for Current FY (2018-19)	Recommended Funding Process	Recommended Funding for FY 2019-20
Goleta Valley Historical Society (GVHS)	GVHS Operations	\$91,000	Noncompetitive/ Amendment to Lease Agreement	To be determined
South Coast Railroad Museum (SCRR)	SCRR Operations	\$34,000	Noncompetitive/ Amendment to Lease Agreement	To be determined
Goleta Valley Community Center (GVCC)	GVCC Senior Program	\$25,000	Noncompetitive/ Amendment to Lease Agreement	To be determined
Foundation for Girsh Park (Foundation)	Operational Funding for Park Maintenance	\$125,000	Noncompetitive/ Consider MOU	To be determined

It is recommended that funding for City Facilities/Recreation Facilities be allocated in the Parks and Recreation program budget in the Neighborhood Services Department under Professional Services to consolidate the administration of service agreements related to cultural, historical, and recreational services and facilities.

The Fiscal Year 2019-20 and 2020-21 budget appropriation and the creation of categorical allocations for Support to Other Agencies will be determined during the upcoming two-year budget workshops. The City Council will review total appropriated funding for all services and programs during the upcoming budget workshop process. At the workshop, the City Manager will recommend an overall appropriation for FY 2019-

20 and a proposed amount for FY 2020-21 for the Support to Other Agencies funding. This funding has historically been accounted for in the City Council's budget (Account No. 101-5-1100-223). However, with the proposed separation of programs and services into distinct categories that each represent a different funding process, staff are recommending the total appropriation be separated out and accounted for in the respective department budgets that the categories (i.e. service types) most appropriately fall under. As noted above, for most of the service types, the Neighborhood Services and Public Safety Department would be the appropriate department to provide oversight from both a funding and program/ service management standpoint. The proposed budgetary line items and amounts will be brought to the Council for consideration during the upcoming workshops.

With the funding categorized and separate pools of funding created, this recommendation will ensure:

1. The appropriated amounts are consistent with the needs of the community and aligned with City Council Strategic Goals.
2. The City Council is more clearly able to prioritize spending in each category.
3. Control of the appropriated amounts through the department budgets.
4. A competitive process where possible that allows for new agencies to apply and be selected to provide services (competing against other like service providers)

Recommendation 5 - Provide direction to staff on whether to create a separate competitive funding opportunity for community needs and priorities that do not fall into any of the above categories.

Staff are seeking Council's input on creating a potential fifth category of funding that would include agencies that do not fall neatly into any of the four above described categories. For FY 2018-19, there was only one agency that could not be accounted for in one of the categories: Fairview Gardens. While Fairview Gardens does not operate at a City-owned facility, is not a governmental agency, and does not offer services and programming respond to the City's homelessness and economic development needs, this agency has received substantial funding from the City in past years. Using Fairview Gardens as an example with the presumption that there could be other nonprofit organizations that do not fall neatly into a pre-established category, staff are seeking Council input on whether there should exist a separate category and funding pool for organizations that may wish to receive a City grant at an amount higher than what is provided through the Goleta City Grant Program (City Grants are capped at \$5,000 per award). The City Council may wish to establish a fifth category called (Miscellaneous Community Programming) and offer larger-amount grants to such agencies on a competitive basis, subject to funding availability year-to-year. However, the creation of such a formalized category would be akin to establishing a large-amount grant program that would operate in addition to the Community Development Block Grant (CDBG) Program and Goleta City Grant Program opportunities already in existence. Staff recommend that the City Council take caution in considering this option and its impact on the City's overall budget.

For illustration purposes only, Table 5 below shows what this year's 2018-19 Support to Other Agencies allocations would be if they were broken out into the proposed categorical funding pools including a fifth Miscellaneous Community Programming category. The City Council will have an opportunity to discuss setting categorical funding caps at the upcoming budget workshops.

Table 5. Proposed Support to Other Agencies Funding Categories

Support to Other Agencies Funding Categories	FY 2018-19 Funding Received	FY 2018-19 Funding Received (%)
Homelessness Initiatives	\$37,410	6.65%
Economic Development/ Marketing and Promotions	\$166,500	29.58%
Government/ Interagency Agreements	\$39,000	6.93%
City Facilities/ Recreation Facilities	\$275,000	48.85%
Miscellaneous Community Programming	\$45,000	7.99%
TOTALS	\$562,910	100%


FISCAL IMPACTS:

There are no fiscal impacts associated with this item. Staff's proposed categorization of service types and the budget structuring options discussed here are suggestions-only. The overall appropriation for Support to Other Agencies and proposed budget restructuring will be discussed during the upcoming budget workshops.


ALTERNATIVES:

The City Council may choose to direct staff to move forward with an alternative categorization of service types for the Support to Other Agencies funding. Council may also direct staff towards a different funding process for certain agencies or categories. Based on Council's direction, staff will proceed accordingly in preparing for the upcoming budget discussions.

Legal Review By:


Michael Jenkins
City Attorney

Approved By:


Michelle Greene
City Manager

ATTACHMENTS:

1. Proposed Revisions to Support to Other Agencies Program Guidelines