



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: July 9, 2019

TO: Christine Daniel, City Manager

FROM: Charles S. Bryant, Community Development Director

SUBJECT: Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Execute A Grant Recipient Contract With Emeryville Citizens Assistance Program In The Amount Of \$74,000 To Support Food And Clothing Distribution To Persons Experiencing Homelessness And Those Near-Homelessness For Fiscal Year 2019-20

RECOMMENDATION

Staff recommends that the City Council approve the attached resolution authorizing the City Manager to execute a Grant Recipient Contract with Emeryville Citizens Assistance Program (ECAP) in the amount of \$74,000 to support food and clothing distribution to persons experiencing homelessness and those near-homelessness.

BACKGROUND

ECAP provides support for at-risk families and individuals by providing a daily food give-away, clothing, counseling services, and resource referrals for housing and personal needs from a leased facility at 3610 San Pablo Avenue. The organization has provided these services in Emeryville since 1997, originally under the name “Emeryville Community Action Program”.

In the past, the Emeryville Redevelopment Agency provided approximately \$50,000 per year to support the organization’s mission. Due to the dissolution of redevelopment, the City began providing direct support to ECAP in Fiscal Year 2012-13. In the ensuing years, the support amount increased annually due to increases in rent and utility costs. ECAP’s lease includes a rent increase on July 1st of each year in the amount of the Consumer Price Index.

The current grant request for Fiscal Year 2019-20 is \$74,000, an increase of \$3,865 (or 5%) over the Fiscal Year 2018-19 amount of \$70,135. The requested amount consists of \$60,070 for rent, property taxes and insurance, and \$13,930 for utility costs and including a 3% contingency to address estimated increases in costs and unexpected expenses. Previous grant amounts and the current request are summarized in the table below:

Year	Award Amount
FY 2012-13	\$50,000
FY 2013-14	\$53,436
FY 2014-15	\$57,700
FY 2015-16	\$57,500
FY 2016-17	\$63,756
FY 2017-18	\$66,885
FY 2018-19	\$70,135
Proposed FY 2019-20	\$74,000

According to ECAP staff, ECAP has seen an increase in need as the increase in homelessness and housing costs affects their low-income clients. ECAP has increased their distribution of food and has begun providing food to homeless encampments. During Fiscal Year 2019-2020 ECAP will continue to work with the City's homelessness services provider and City staff to coordinate services to people experiencing homelessness. In addition, ECAP's location is for sale; and the City will work with ECAP in the event a location change is required.

DISCUSSION

Final Report for FY 18-19

The Community Grants Funding Agreement for FY 2018-19 (the "FY 18-19 Funding Agreement") required submittal of a final report for the period July 1, 2018 through June 30, 2019 (the "Final Report"). The FY 2018-19 Funding Agreement required the Final Report to include the following elements:

- a financial report as specified in Section Four of the FY 2018-19 Funding Agreement;
- the number of people and households served through all ECAP programs, including but not limited to the food pantry, clothing distribution, holiday drives, emergency shuttle transportation, Project 22, resource referrals, etc.;
- copies of any promotional materials, newspaper articles, or other publicity;
- the current roster of ECAP's Board of Directors;
- evidence that ECAP is an active California corporation with valid tax-exempt status.

The Final Report was submitted to staff on May 16, 2019 (Attachment 1).

Funding Request for Fiscal Year 2019-20

As shown in the Fiscal Year 2019-20 Grant Application Narrative and Proposed Budget (Attachment 2), ECAP has requested \$74,000 for the upcoming fiscal year. This request is based on their estimate of costs related to rent, property tax, insurance, PG&E, AT&T, Verizon and EBMUD. This estimate includes the following assumptions:

- A 2% escalation of rent, based on the Consumer Price Index used by ECAP's lease, and a 2% escalation of property taxes; the applicant is also requesting a general contingency budget of \$1,153 to provide flexibility in addressing unforeseen cost increases
- 14% increase of electrical and gas costs
- 25% increase of water costs (EBMUD) This figure is based on actual costs incurred during the prior grant period (FY 18-19).
- 12% increase in internet (AT&T) and cellular phone (Verizon) services.

The proposed Grant Recipient Contract for FY 2019-20 (the "FY 19-20 Funding Agreement") presented as Exhibit A to the attached Resolution provides for continued support to ECAP for Fiscal Year 2019-20 in the amount of \$74,000. Funding will be provided in 12 equal monthly installments of \$6,166.67. As with the FY 18-19 Funding Agreement, ECAP is required to submit a Final Report by April 30, 2020.

Tax Exempt Status

ECAP's tax exempt status has been suspended by the California Secretary of State and Franchise Tax Board as of April 2, 2019 because of ECAP's failure to timely file a required submittal. ECAP is working to reinstate its tax-exempt status and revive to good standing. The attached resolution stipulates that execution of the Grant Recipient Contract is contingent upon ECAP submitting sufficient evidence, as determined by the City Attorney, that ECAP has reinstated its tax-exempt status and revived to good standing with the California Secretary of State and Franchise Tax Board, and therefore, is authorized to carry out its business activities within the State of California.

FISCAL IMPACT

Funding for the FY 19-20 Funding Agreement is included in the City's Fiscal Year 2019-2020 through 2020-2021 Operating Budget for Non-Departmental Services, Social Services (account 1900-87610).

STAFF COMMUNICATION WITH THE PUBLIC

There was no staff communication with the public.

LEGAL CONSIDERATIONS

The City Attorney has reviewed this report and the attached Grant Recipient Contract.

CONCLUSION

Staff recommends that the City Council adopt the attached resolution authorizing execution of the FY 19-20 Grant Recipient Contract with ECAP for continued support of ECAP's food and clothing distribution programs.

PREPARED BY: Emi Thériault, Community and Economic Development Coordinator II

REVIEWED BY: Chadrick Smalley, Economic Development and Housing Manager

APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:



Christine Daniel, City Manager

ATTACHMENTS

- Final Report FY 18-19
- Grant Application Narrative and Proposed Budget FY 19-20
- Resolution, including Exhibit A – Grant Recipient Contract