



## Legislation Text

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**File #:** 15-752, **Version:** 1

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### **RESOLUTION 5043: AUTHORIZATION TO ENTER INTO AMENDMENT NO. 2 TO THE INTERGOVERNMENTAL AGREEMENT WITH ARIZONA DEPARTMENT OF ECONOMIC SECURITY FOR COMMUNITY ACTION PROGRAM FUNDING**

Staff Contact: Erik Strunk, Director, Community Services

#### **Purpose and Recommended Action**

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the Acting City Manager to enter into Amendment No. 2 to the intergovernmental agreement (IGA) for Community Action Program (CAP) funding and operations.

#### **Background**

The CAP provides direct services to low and moderate income Glendale residents. Services include energy assistance payments and crisis assistance for families, which includes homeless assistance, rent and mortgage subsidies.

Currently, CAP is being operated through an intergovernmental agreement with the State of Arizona Department of Economic Security (DES). This has been in effect since July 1, 2015 when the State of Arizona designated the City of Glendale, as an official Community Action Agency, enabling the City to provide direct assistance to low and moderate-income residents. Under this agreement, DES provides approximately \$1 million each year for the provision of CAP services while the City provides a general fund “match” of \$8,569 and various in-kind contributions such as office space and related utilities and custodial services.

This amendment will result in funding changes to the current DES contract with the City. The first change is an increase in funding of \$15,724 for Case Management services. The second is an increase in funding of \$33,667 for Community Services. This increase in funding will provide approximately 29 additional Glendale residents with Low Income Home Energy Assistance. This amendment will also, at the discretion of the department, allow the coordination and provision of emergency assistance outside the City of Glendale, if needed by the state. Even so, it will not impact the scope or function of CAP, and will not result in any added costs to the City. This amendment changes the annual funding between DES and the City of Glendale from \$1,026,458 to \$1,075,849 for the contract period of July 1, 2015 through June 30, 2016.

#### **Analysis**

On average, the City of Glendale CAP provides direct assistance to approximately 4,000 persons each year. The individuals are all in the “low” to “extremely low” income category and typically use CAP services at their most urgent moment of need (i.e. - food, shelter, medical emergency). Of those assisted, approximately 46 % are under 18 years of age, 33% are disabled or have a medical condition, and 13% are 65 years of age or older.

If not for the assistance of the CAP, many of these individuals would be vulnerable to becoming homeless and/or have no opportunity to receive local assistance.

If approved by Council, the DES Amendment No. 2 will allow the City to continue contracting with DES and provide CAP services to Glendale residents. Per terms of the contract, the new funding allocation to the City for the provision of CAP services is \$1,075,849 for the period of July 1, 2015 - June 30, 2016.

#### **Previous Related Council Action**

On May 26, 2015 a five year IGA between the City and DES for CAP operations was approved by City Council, in addition to approving the annual operating budget of the CAP for the same time period. The most recent IGA Amendment No. 1 was approved by Council at the September 22, 2015 meeting.

#### **Community Benefit/Public Involvement**

The CAP is designed to provide responsible and efficient support services that foster self-sufficiency and emotional stability when individuals or families are experiencing a financial hardship or major life crisis. These programs and services are reviewed on an ongoing basis by the 13-member Community Development Advisory Committee (CDAC), which is appointed by City Council. This item was reviewed and approved by the CDAC at its November 19, 2015 regular meeting.

#### **Budget and Financial Impacts**

With the exception of the annual General Fund Match and minor in-kind services, the CAP program is entirely funded through an annual entitlement grant from DES.

<b>Cost</b>	<b>Fund-Department-Account</b>
<b>\$1,075,849</b>	<b>Fund 1820, Departments 32050, 32055, 32056, 32057, 32060, various expenditure accounts</b>

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?