



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



Date: June 9, 2014
Board Meeting Date: June 17, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: John L. Maltbie, County Manager
Subject: Core Service Agencies – Safety Net Sustainability Plan

RECOMMENDATION:

Adopt a Resolution directing staff to increase Core Service Agencies' contracts by \$267,500 one-time for Fiscal Year 2014-15 as part of the Safety Net Sustainability Plan.

BACKGROUND:

The County has contracted with eight community-based organizations or "Cores" that make up the Core Service Agency Network, most since 1976, to provide basic emergency and support services to county residents who live in poverty. Exhibit A shows the communities served by each organization, along with data on number of residents with income at or below 150% of the Federal Poverty Level, pounds of food distributed by Second Harvest Food Bank, and student participation in free or reduced lunch programs.

The Cores play a vital role in the safety net by providing or referring residents to emergency food and shelter, clothing, transportation, utilities and housing assistance, so they can get back on their feet and work toward self-sufficiency. They include Coastside Hope, Daly City Community Services Center, El Concilio, Fair Oaks Community Center, Pacifica Resource Center, Puente de la Costa Sur, Samaritan House, and South San Francisco YMCA. Exhibit B provides information on each of these organizations, including number of individuals and households served and number of requests for food and housing assistance.

The County spends about \$800,000 annually from the General Fund on safety net agreements with the Cores. This covers varying levels of the Cores' safety net programs depending on their fundraising and grant writing capacity and funding commitments from cities. Some of the Cores have agreements with the County for other services such as healthcare and CalFresh outreach and enrollment services.

In 2009, 2012 and 2013, in response to increasing needs during the recent recession, the County partnered with the Silicon Valley Community Foundation (SVCF) to provide additional resources for safety net services. The County provided \$500,000 each year for food and shelter grants which the SVCF matched dollar-for-dollar, for total grants of \$1 million each year. The Cores received \$535,000 in total in 2013 (\$267,500 County portion). SVCF ended its safety net grants in 2013 to focus on other strategic priorities; on May 6 it hosted SVGives, a first-ever 24-hour crowdfunding campaign that raised \$7.9 million for local nonprofits, including five of the Cores.

DISCUSSION:

Responses to a financial sustainability survey indicate that stable funding sources and staffing are the most important challenges for the Cores in the next three years. This year your Board approved a 3% cost-of-business increase for community-based organizations funded by the General Fund, including the Cores. The Board also allocated \$325,000 from Measure A for the implementation of a case management system for the Cores, and \$385,000 in Measure A funds for emergency housing assistance, with the understanding that the Cores would develop a safety net sustainability plan with the County.

In May 2014, the Clarity Human Services case management system was selected and is now being implemented at the Human Services Agency and the Cores, with a go-live date in early July. Data entry using County extra help staff and user training are underway.

It has been a challenge to rely on existing Cores' reports for unduplicated client data and cost per client served due to inconsistencies in how each Core calculates performance results. The County and other funders need accurate and reliable data to make informed decisions on prioritizing resources for safety net needs in the future. The chart below is a good example. It shows trends in number of individuals and families served since 2005. The chart shows that total workload is trending downward to pre-recession levels, but in looking at the workload for each Core compared to the population in the area it serves, it appears that the client counts may include some duplications and the current Core reports are unable to distinguish unique clients for accurate reporting (see Exhibit B).

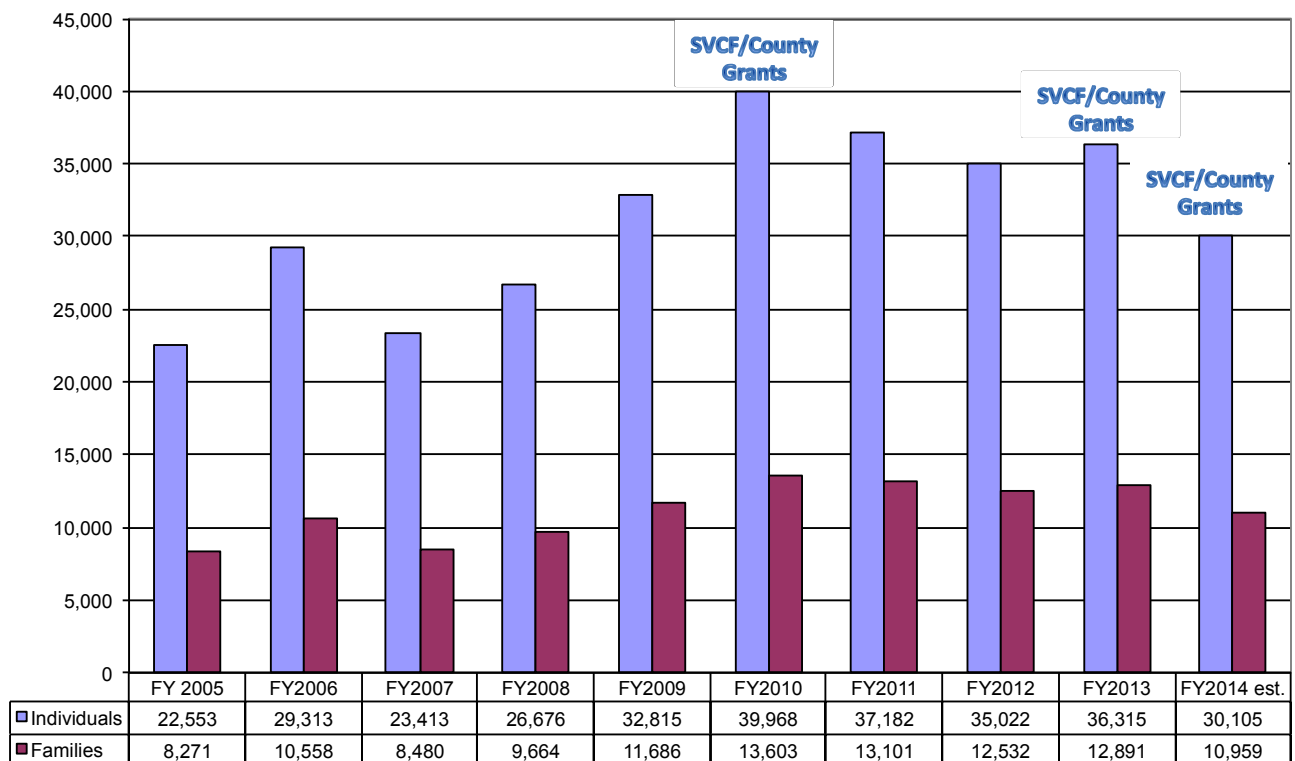
Next Steps - Safety Net Sustainability Plan

The County has been working with the Cores since November last year on a plan for creating a sustainable Core Service Agency network. The Cores work very collaboratively with each other and have a strong structure in place to work through issues and plan for the future. Our plan includes the following steps and timelines:

- (1) **Transition Funding and Use of Performance Tracking Tool** - Add \$267,500 one-time in FY 2014-15 as we complete the restructuring of contracts with the Cores to reflect baseline expectations and needs of areas served. The funds would be distributed when implementation of the Clarity system is completed and all Cores and the County sign off on performance reports with unduplicated client counts and requests for assistance

- (2) **Revisit Need for Emergency Housing Assistance** – Based on data submitted by the Cores over the last five years, only 70-80% of requests for housing assistance have been met. Your Board allocated \$385,000 from Measure A funds in FY 2013-14 to keep 250 families housed and prevent homelessness. Staff will review results from this allocation and bring an update or recommendation for the Board's consideration in September for FY 2014-15
- (3) **Creation of Safety Net Dashboard** - Create a safety net dashboard to monitor trends in community needs by areas served; this dashboard is under development in the County's SMC Performance dashboards, using preliminary indicators listed in Exhibit C.
- (4) **Creation of Funders Network for Safety Net Needs** – By end of FY 2014-15, create a Funders Network with SV Community Foundation and others to maintain a strong core provider network and agile structure to respond to short-term and chronic needs
- (5) **Restructuring Contracts with Core Service Agencies** - Define baseline expectations and funding for the Cores, and develop methodology toward a per-client/per-service payment structure beginning in FY 2015-16

**Core Service Agencies Workload - Individuals and Families
FY2005 thru FY2014 estimate**



County Counsel has reviewed and approved the Resolution as to form.

FISCAL IMPACT:

The \$267,500 in one-time funds for FY 2014-15 has been included in June Revisions. Funding will come from General Fund reserves.