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County of Santa Cruz

BOARD OF SUPERVISORS

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AGENDA: 4/4/00

March 27, 2000

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

RE: COMMUNITY PROGRAMS ECONOMIC RECOVERY FUND

Dear Members of the Board:

As Board members are aware, the County has gone through a number of years of very tight funding. Financial restrictions have been particularly hard felt among the community programs. While small cost-of-living increases have been granted and some additional monies allocated to support **Latino** equity, by and large there has been almost no supplemental funding to help community programs deal with increased demands for services or non-inflation related increases in costs.

At this time, the County's budget picture is looking much improved. The Board has been informed of additional funds available to the County from the Teeter Plan both for one time and on-going funding. In addition, the last quarterly report from the Auditor indicated that the County's fiscal picture was looking good. While the County has a number of unmet needs and I strongly support the previous direction to provide additional funding for road maintenance, I think it is now possible to offer increased support for community programs with unmet needs that have long been ignored.

My proposal is that the Board establish an Economic Recovery Fund of \$1 million and allow community programs to apply for these supplemental funds to cover one-time and operational expenditures that assist them in building organizational capacity and responding to economic necessities. Examples of projects that could be eligible could include: assistance in purchasing existing facilities and/or new equipment, funding for staff benefit costs in excess of inflation, salary increases where staff salary levels have not kept pace with inflation, and

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additional program staff where increased service levels can be documented. This list is not meant to be definitive and the County Administrative Officer should be directed to develop and return to the Board for approval a set of criteria for evaluating proposals, as well as a recommendation on the amount of the Fund that should be available for one-time versus operational funding.

In my view, the Board should finalize the criteria and initiate the application period by the end of April, 2000, with the proposal deadline set at May 19, 2000. The County Administrative Officer should then review the proposals and make recommendations for funding allocations as part of the Supplemental Budget. The County's advisory commissions should be invited to inform the Board by budget hearing of whatever recommendations they might have on the proposals.

Community programs play a vital role in meeting the needs of the residents of our community. They effectively provide a wide range of necessary services, mostly to lower income people, at a relatively low cost. To a significant extent, the workers in these programs are community volunteers as their salary scales are usually below the market. Our community receives tremendous benefits from these programs. When times are hard, they must tighten their belts with everyone else. When times are better, they should share in those benefits.

Therefore, I recommend that the Board of Supervisors take the following actions:

1. Approve in concept the establishment of a \$1 million Economic Recovery Fund for community programs to be funded in the **2000/2001** budget; and
2. Direct the County Administrative Officer in coordination with the Human Resources Agency to return by April 25, 2000, with recommended criteria for allocating monies from this fund along the lines suggested in this letter, as well as a more refined time line and application process.

Sincerely,



MARDI WORMHOUDT, Supervisor
Third District

MW:lg

cc: County Administrative Officer
Human Resources Agency Administrator
Human Care Alliance

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