



Department: Administration
Cost Center: 1010
For Agenda of: 12/10/2024
Placement: Consent

FROM: Greg Hermann, Deputy City Manager
Prepared By: Nestor Veloz-Passalacqua, Diversity, Equity and Inclusion Manager

SUBJECT: CONSIDERATION OF THE 2025-26 HUMAN SERVICES GRANT FUNDING PRIORITIES

RECOMMENDATION

As recommended by the Human Relations Commission (HRC), approve the Human Services Grants (HSG) funding priorities for the 2025-26 funding year.

DISCUSSION

The City's biennial review of the HSG Program, previously titled Grants-in-Aid, provides the community with the opportunity to provide early input into the grant program to ensure alignment with current community needs. Establishing funding priorities is an essential step in the grant process, which helps to ensure a transparent, equitable, and intentional application process.

Background

HSG Program Overview

The City's HSG Program is a competitive grant that provides financial support to non-profit organizations that promote the economic and social well-being of the San Luis Obispo community. Programs requesting funding must be tied to at least one funding priority, preferably the main priority as listed below, and must be compliant with the HRC bylaws.

HSG Process

The steps in the review process for the HSG program are as follows:

1. HRC Review of Grant Program Information: The HRC conducted a review of the current HSG program language on August 15, 2024, to identify potential areas that needed clarification for the applicants. This initial review allows HRC to incorporate feedback based on last grant cycle.
2. HRC Community Grant Workshop: The HRC hosted a public hearing on September 12, 2024, to inform the public about the HSG program, the purpose of the grant, the current funding priorities, and the application process. During this

hearing, HRC received community input that is included in the recommended funding priorities with the goal to align the community’s needs with the grant program. Draft minutes from this meeting can be found in Attachment A.

3. City Council Approval of 2025-26 HSG Funding Priority: Upon completion of the HSG program review by HRC and the comments from the public hearing, the City Council reviews the recommendations and approves funding priorities to take effect for the 2025-26 grant cycle.
4. HRC Preliminary Funding Recommendation & Public Hearing: Upon receipt and review of the applications for the 2025-26 grant cycle, the HRC will hold a public hearing to present the preliminary funding recommendations. Community members have the opportunity to provide public input to the commission. At the end of the hearing, the HRC will vote on their final funding recommendations to be presented to Council for approval.
5. City Council Approval of Final Recommendations: City Council will review and approve final funding recommendations for the HSG.

HSG Funding Priorities for 2025-26

After completion of the Community Grant Workshop, the HRC reviewed the HSG program language and decided to make a few minor adjustments for the 2025-26 grant cycle. The HRC recommended to maintain the same funding priorities and added clarifying language to ensure potential applicants would understand the current focus of the grant program and the likelihood to be awarded funds based on that.

Human Services Grant Funding Priorities	
Previous Language	HRC Recommended Language for Fiscal Year 2025-26
<p>Main Priority: Homeless prevention including affordable and alternative housing, supportive services, and transitional housing.</p> <p>The following additional priority funding areas are <u>not</u> listed in order of importance:</p> <ul style="list-style-type: none"> • Hunger and malnutrition prevention • Supportive physical and mental health services for those in need • Services for seniors, veterans and/or people with disabilities in need 	<p>Main Priority: For the <u>2025-26 Fiscal Year</u>, the main funding priority is:</p> <p>Homelessness prevention including affordable, alternative, and transitional housing, and supportive services.</p> <p>Secondary Funding Priorities: The following secondary funding priorities are <u>not</u> listed in order of importance and <u>may receive funding if available:</u></p> <ul style="list-style-type: none"> • Hunger and malnutrition prevention

<ul style="list-style-type: none"> • Supportive, developmental, and care services for children and youth in need • Services encouraging diversity, equity, and inclusivity in marginalized communities, including access to language services. 	<ul style="list-style-type: none"> • Supportive physical and mental health services for those in need • Services for seniors, veterans and/or people with disabilities in need • Supportive, developmental, and care services for children and youth in need • Services encouraging diversity, equity, and inclusivity in marginalized communities, including access to language services.
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In addition, based on previous Council direction, language will be added to the grant webpage and program materials explaining that the HRC will first fund all qualified applications that meet the main priority. After qualified main priority applications are funded, the HRC will consider applications for the secondary funding priorities.

Previous Council or Advisory Body Action

The HRC conducted a review of the current HSG program language on August 15, 2024.

Public Engagement

As previously noted, the HRC hosted a Community Grant Workshop on September 12, 2024, to inform the public about the HSG program, the purpose of the grant, the current funding priorities, and the application process. As required, staff released a public hearing notice in advance of the hearing. Additionally, during the August 15, 2024 meeting, staff made the announcement and update about the HRC reviewing the Human Services Grant Program funding priorities.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to the recommended action in this report, because the action does not constitute a “Project” under CEQA Guidelines Sec. 15378.

FISCAL IMPACT

Budgeted: Yes
 Funding Identified: Yes

Budget Year: 2025-26

Fiscal Analysis:

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$150,000	\$150,000	\$	\$
State				
Federal				
Fees				
Other:				
Total	\$150,000	\$150,000	\$	\$

The City budgets \$150,000 annually from the General Fund to the HSG program. Establishing funding priorities does have an immediate fiscal impact but will aid the HRC in providing a recommendation to Council for final approval.

ALTERNATIVES

1. **Council may modify the proposed funding priorities.** Council should provide direction on specific modifications to the proposed funding priorities.
2. **Council may continue consideration of the funding priorities.** Council should provide direction to staff regarding additional information needed to decide on priorities.

ATTACHMENTS

A - HRC Approved Minutes from September 12, 2024