



Memorandum

TO: MAYOR LICCARDO

FROM: Councilmember Sergio Jimenez

SUBJECT: BUDGET DOCUMENT

DATE: May 24, 2017

Approved

Date: May 24, 2017

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title: **Bringing Everyone's Strengths Together (B.E.S.T) and Safe Summer Initiative Grant (SSIG) cost of doing business increase.**

Amount of City Funding Required: **\$86,805**

Fund Type (i.e. General Fund, C&C funds, etc.): **General Fund**

This change is:

One-time Ongoing

Proposal Description, including anticipated outcomes (describe how change would affect services for San José residents, businesses, community groups, etc.):

The purpose of the B.E.S.T. grant program is to develop and implement programs that address the needs of high-risk and gang-involved youth and their families; and to provide a coordinated continuum of prevention, intervention, and suppression resources. Services include cognitive development, life skills training, street outreach, substance abuse treatment, vocational services, and parent/family awareness. BEST services are associated with decreased recidivism, increased high school completion, and other pro-social outcomes.

The SSIG program provides and enhances recreational and educational opportunities not normally available to high-risk and gang-impacted youth during the summer months. Thereby, providing a safe environment for participants while keeping them active and engaged.

A 3% Cost of Doing Business (CDB) increase to the mentioned program contractors will cost the City roughly \$86,805.00, this small contribution will have a significant impact on the stability of these programs. As the City moves toward increasing the minimum wage and Santa Clara County moves

toward a living wage, nonprofits will be required to provide annual CPI increases for staff. Therefore, CDB increases are essential to meet growing costs.

We must make it a priority for nonprofits and their staff to continue growing and succeeding. As a City we provide cost of living increases because we recognize this as essential to the retention and stability of talented staff. The same values should apply to our contractor organizations that contribute to the safety, security and well-being of our communities.

In this budget document I am requesting one time funds, however the ultimate goal is that annual CDB increases become permanent benefits built into City contracts with nonprofit organizations. I respectfully request that the City step up to provide annual CDB increases in their multi-year contracts with community based organizations that contribute to the success of San Jose B.E.S.T and the Safe Summer Initiative Grant.

Funding Source

Essential Services Reserve (\$2 million)

Other (Program/Project/Fund): **General Fund**

Department or Organization: **Parks, Recreation, and Neighborhood Services**

Department or Organization Contact (list contact information for the individual that certified cost estimates contained within your recommendation):

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