

Mayor and Council Communication

DATE: 08/13/19

M&C FILE NUMBER: M&C 19-0019

LOG NAME: 19NS CFE FUND 2018-2019

SUBJECT

Ratify Application for and Acceptance of Funds Totaling \$20,000 from the Cities for Financial Empowerment Fund, Inc. for the 2018 CityStart Initiative to Assist in Developing Local Financial Empowerment Strategies and Programmatic Blueprints and Adopt Appropriation Ordinance (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council:

1. Ratify the application for and acceptance of funds totaling \$20,000 from the Cities for Financial Empowerment Fund, Inc. (CFE Fund) for the 2018 CityStart Initiative to assist in developing local financial empowerment strategies and programmatic blueprints; and
 2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating Fund in the amount of \$20,000.
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DISCUSSION:

The CFE Fund's 2018 CityStart Initiative offers city governments an intensive 6 to 9 month technical assistance engagement partnership, along with a \$20,000 planning grant. Selected cities will host a municipal financial empowerment "boot camp" event that brings together key local constituencies, including leaders from city agencies/mayoral leadership, local funders, community organization partners, and financial institution representatives. Following the boot camp, the CFE Fund will work with each city to craft a municipal financial empowerment blueprint.

The mission of the CFE Fund is to improve the financial stability of low and moderate-income households by embedding financial empowerment strategies into local government infrastructure. The CFE Fund works with mayoral administrations and those interested in supporting them to implement innovative programs and policies and measures its success accordingly. The CFE Fund's work centers on the following four pillars of financial empowerment:

- Banking Access - minimizing costs for basic goods and services; access to convenient, low-cost financial products and structures (transaction, saving, credit and insurance products as well as direct deposit, automatic enrollment, etc.); and financial capability related to money management, financial products, and credit.
- Financial Counseling - help residents build their financial knowledge, better navigate complex financial products and systems, address pressing financial challenges, and generally improve their financial behavior and situation through professional financial counseling.
- Savings and Asset Building - utilize technology, create new and leveraging existing physical access points, developing automated and match savings opportunities, and launching public awareness campaigns to connect residents to the full range of benefits, work supports, and tax credits for which they are eligible.
- Consumer Financial Protection - local governments possess an array of consumer protection tools including industry-based licensing, other regulatory enforcement, zoning and land use options, municipal deposits, taxation, and budget decisions.

This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, receipt of the grant and adoption of the attached appropriation ordinance, funds for operation will be available in the current operating budget, as appropriated, of the Grants Operating Fund. The Neighborhood Services Department shall be responsible for identifying funding sources to cover expenses incurred in the event the grant funds are not received. This is an advance grant.

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