

Richmond Kids First Initiative: The Richmond Fund for Children and Youth

SUMMARY: An amendment to the Richmond City Charter to provide increased and dedicated funding for children, youth and young adult services by creating the Richmond Fund for Children and Youth (“Fund”) through a ballot initiative that will set aside \$950,000 of the City of Richmond’s annual actual unrestricted general purpose revenue from January 1, 2017 through June 30, 2018 to establish the Fund, 1% of such City revenues for Fund purposes in fiscal year 2018-19, 2% of such City revenues for Fund purposes in fiscal year 2019-20, and 3% of such City revenues for Fund purposes commencing in fiscal year 2020-21 through fiscal year 2026-27. Oversight of the Fund will be provided by an independent Oversight Board. Before the end of the initial ten-year period, the Fund’s outcomes will be evaluated for renewal or revision.

Be it ordained by the People of the City of Richmond:

Title. This Act shall be known as the “Richmond Kids First Initiative: The Richmond Fund for Children and Youth Act.”

Findings and Statement of Purpose. The people of the City of Richmond hereby make the following findings and declare their purpose in enacting the Act:

Children, youth and young adults under the age of 24 comprise approximately 35% of the City of Richmond’s overall population, and young people in Richmond experience extremely high rates of violence, trauma, poor health and social outcomes, and stress. This includes harm and death due to violence; poverty; unintended pregnancy; harmful substance use; contact with child welfare, law enforcement and the criminal legal system; and suspension, expulsion and school dropout.

The San Francisco and Oakland Funds for Children and Youth have served thousands of children and youth in hundreds of programs, and their services have demonstrated improvements in the well-being of young people and their families. These funds have positively contributed to public safety, family support, and the overall quality of life. Both funds have resulted in improved coordination of city services, better planning, and the leveraging of significant additional resources.

According to a 2014-15 evaluation of the Oakland Fund for Children and Youth, over its nearly 20 years of operations, the Oakland Fund for Children and Youth has produced significant positive outcomes for youth, including: a) 84% showed increased college readiness; b) 92% showed increased knowledge of career paths; c) 85% showed an increased sense of empowerment; d) 86% showed improved decision-making and goal setting; e) 85% showed a greater sense of confidence and self-esteem; and f) 81% expressed having greater connections to caring adults.

According to the Center for American Progress and Urban Alliance, the unemployment rate for Americans ages 16 to 24 is 16.2%, more than double the national rate of unemployment; 6.7 million young Americans lack the skills, knowledge, and experiences needed to succeed in school or employment. Youth of color and low-income youth are disproportionately affected by poor education and unemployment: the high school dropout rate for African American and Hispanic youth was double and triple the rate of white youth, and the unemployment rate for African American young adults is double that of all teens; and 68% of all males in state and federal prison do not have a high school diploma.

According to the U.S. Department of Labor, employment is beneficial for youth by teaching responsibility, organization, and time management and helping establish good work habits, experience, and financial stability. The Department of Labor also concludes that there are many advantages to working during high school, especially for low-income youth, including higher employment rates, and wages in later teen years, and lower probabilities of dropping out of high school.

According to a 2007 report by the Southeast Asian Youth and Families Alliance on homeless Asian Pacific Islander (API) youth in West Contra Costa County, Black communities have the highest total number of arrests and highest arrest rate, and Vietnamese and Laotian have the second and third highest rates relative to the size of their communities. The most common issues that API youth wanted solved were racism, violence, drugs, and prostitution.

According to a 2015 City of Richmond community survey, eight in ten Richmond residents indicated that developing job training opportunities should be a top priority for the City, and 65% felt that developing further programming at recreational centers should be a top priority.

A recent Out-of-School Time Programs study conducted by the West Contra Costa Public Education Fund in 2012 identified that out of the estimated 14,832 out-of-school opportunities needed for low-income West County youth, only 1,286 summer program spaces were available, creating an out-of-school program need for nearly 87% of all low-income young people.

The City of Richmond benefits when the children and young adults who live and spend substantial time in the City, including children and young adults who live in unincorporated North Richmond, are healthy, successful in school, prepared to succeed in the workplace, and live in stable, safe and supported families and communities.

Therefore, we seek to establish a sustainable funding stream to address the structural and environmental conditions that drive harmful behavior in children, youth and families; strengthen the diverse assets and resilience of children, youth and families; build alternatives to trauma, violence, hopelessness, despair and victimization; and supplement rather than supplant existing funding or programs.

A new Article XV titled "Richmond Fund for Children and Youth" is hereby added to the Richmond City Charter, as follows:

Section 1. Fund: Beginning January 1, 2017, there is hereby established in the treasury of the City of Richmond (the "City") a special fund to expand children's services in the City, which shall be called the Richmond Fund for Children and Youth (the "Fund").

Section 2. Amount and Source of Funding. The City shall set aside a portion of the annual actual unrestricted general purpose revenues of the City to be transferred to the Fund in the amounts specified below.

For the last six months of fiscal year 2016-2017 (January 1, 2017 through June 30, 2017), there is hereby set aside for the Fund, the amount of \$250,000 from the City's annual actual unrestricted general purpose revenues for the express purpose of establishing and supporting the infrastructure of the Fund and the newly created Department of Children and Youth, as described in Section 7, including the development of the Strategic Investment Plan, as described in Section 8.

For fiscal year 2017-18, there is hereby set aside for the Fund, the amount of \$700,000 from the City's annual actual unrestricted general purpose revenues for the express purpose of establishing and supporting the infrastructure of the Fund and the newly created Department of Children and Youth, including the development of the Strategic Investment Plan.

For fiscal year 2018-2019, there is hereby set aside for the Fund, an amount equal to one percent (1%) of the City's annual actual unrestricted general purpose revenues, together with any interest earned on the Fund and any amounts unspent or uncommitted by the Fund at the end of any fiscal year.

For fiscal year 2019-2020, there is hereby set aside for the Fund, an amount equal to two percent (2%) of the City's annual actual unrestricted general purpose revenues, together with any interest earned on the Fund and any amounts unspent or uncommitted by the Fund at the end of any fiscal year.

For fiscal year 2020-2021 and each fiscal year thereafter through fiscal year 2026-2027, there is hereby set aside for the Fund, an amount equal to three percent (3%) of the City's annual actual unrestricted general purpose revenues, together with any interest earned on the Fund and any amounts unspent or uncommitted by the Fund at the end of any fiscal year.

The Fund shall be maintained separate and apart from all other City funds and shall be appropriated annually at the time of the City's budget adoption, and by supplemental appropriation, when necessary as determined by the City Council.

The annual amount of actual unrestricted general purpose revenues shall be calculated by the City Manager and shall fully include all of the following sources of revenue received by the City: (1) Property Taxes, (2) General Sales and Use Taxes (including locally approved general sales taxes and the City's portion of the Bradley-Burns Sales and Use Tax), (3) Utility Users Tax, (4) Property Transfer Tax, (5) Transient Occupancy Tax, (6) Fines, forfeitures and penalties, (7) Interest from general fund reserves, and (8) other revenues that the City can use for any lawful, municipal purpose. The City shall not define which revenues are to be considered unrestricted general purpose revenues in a manner inconsistent with the provisions of this section. Errors in calculation for a fiscal year shall be corrected by an adjustment in the set aside for the next fiscal year.

Before the end of the initial ten-year period, the Fund's effectiveness shall be evaluated and the funding and terms of the Fund shall be presented to the voters for renewal or revision, unless renewed by the City Council.

Section 3. Goals. The goals of expenditures from the Fund shall be:

- a. To ensure that Richmond's children, youth and young adults are physically, emotionally, mentally and socially healthy, educated, successful in school, and live in stable, safe and supported families and communities;
- b. To increase safety for children, youth, young adults, their parents/guardians, families and the communities in which they live by preventing problems and enhancing the strengths of children, youth, young adults and their families;
- c. To ensure young people are provided with gender-responsive, trauma-informed, population-specific and culturally-competent services;

- d. To strengthen collaboration among public agencies and community-based organizations around shared outcomes among all service providers for children, youth, young adults and their parents/guardians;
- e. To ensure an equitable distribution of resources to all of Richmond's young people in recognition of the importance of investment in their futures from birth through young adulthood;
- f. To fill gaps in services and leverage other resources whenever feasible.

Section 4. Eligible Uses.

The City shall only use monies from the Fund for services provided to children and youth from birth to 18 years old and their caregivers, and, as defined in Section 4.b., disconnected transitional-aged young adults from ages 18 to 24 years and, when relevant, their caregivers, or as part of programs that predominantly serve children, youth and disconnected transitional-aged young adults within those ages and their caregivers, including:

Violence Prevention and Response: including restorative and transformative justice; programs that support positive communication and relationships between young people and within families; programs that train young people, adult allies and parents/guardians in de-escalation; programs that address domestic and sexual violence, including child abuse prevention; emergency relocation; programs that address homophobia and bullying; alternatives to incarceration including diversion and re-entry programs; and preventing and responding to police violence against children, youth, young adults and their caregivers.

Education and Job Training: including programs that help youth stay in school; promote academic success and college and career readiness; language services; support parents/guardians in advocating for their young people's education; assist in developing life skills and gaining work experience; and provide job training and placement.

Parent/Guardian Support: including fostering positive child-adult and youth-adult relationships that support young people's safety, self-esteem, well-being and positive futures.

Media, Arts, Culture and Technology: including artistic and cultural expression and education, and job and life skills development.

Youth and Family Leadership, Organizing and Civic Engagement: including community organizing and support that amplify the voices and engagement of children, youth and family in how Richmond prioritizes its resources; and builds youth civic engagement and leadership.

Health and Well-Being: including physical, mental, emotional, behavioral and social health services that support health and well-being and reduce drug-related harm, violence and self-harm, and harmful and disrespectful sexual behavior.

Environmental Health and Justice: including programs that improve the environmental health of children and youth and their right to live free of pollution, toxins and lead, and increase access to healthy food, safe and accessible outdoor and recreational spaces and other places to be physically active.

Outdoor Education and Recreation: including sports, recreation centers, play, camps, gardening and urban agriculture.

Deportation Support: support for young people and families experiencing or being threatened with deportation.

The Fund will prioritize three groups of young people living in Richmond and adjacent unincorporated North Richmond: children ages 0 to 12; youth ages 13 to 17; and disconnected

young adults ages 18 to 24, who are most impacted by harm, inequity and lack of access to support and services. The priority populations include but are not limited to: system-involved young people; young people who have been pushed out of school; young people who themselves or whose families are homeless or threatened by homelessness; young people living in poverty; immigrant and undocumented children, youth and families; Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) children, youth and families; teen parents and families, including single mothers; young people with poor physical, mental, emotional and behavioral health outcomes and disabilities; and families with children and youth who are impacted by the criminal justice system and/or who have family members who are incarcerated; and/or are involved in or transitioning from the foster care, juvenile justice, criminal justice or special education systems.

Entities eligible to receive funding shall be non-profit community-based organizations, including organizations with a non-profit fiscal agent; and public agencies, in partnership with non-profit organizations, that serve children, youth and disconnected transitional-aged young adults. In any fiscal year, public agencies shall not receive, in total, more than 20% of the funding awarded to applicants.

Commencing in fiscal year 2018-2019 and each fiscal year thereafter through fiscal year 2026-2027, (1) a maximum of ten percent (10%) of the Fund can be used for costs related to administering the Fund, including staff support, basic infrastructure, support for the agencies administering the contracts, and overhead costs; and (2) an additional maximum of five percent (5%) of the Fund may be used to evaluate the results of this Article.

A maximum of ten percent (10%) of the amount used to administer the Fund (as described in Section 4.d.) can be used for City overhead.

Entities eligible to receive funding include those (1) located outside but in close proximity to Richmond to the extent that those entities serve children, youth and disconnected transitional-aged young adults who reside in Richmond or unincorporated North Richmond, and (2) located in Richmond or unincorporated North Richmond that serve children, youth and disconnected transitional-aged young adults in Richmond or unincorporated North Richmond, regardless of the residence of the children or youth.

Section 5. Excluded Services. The Fund shall not fund the following services or types of expenditures:

Services provided by the Police Department, Sheriff, other law enforcement agencies, Courts, District Attorney, Public Defender, City Attorney or Fire Department; detention or probation services mandated by state or federal law; or public transportation, except to the extent that transportation may be needed to access eligible services supported by the Fund;

Services provided by the West Contra Costa Unified School District, Richmond libraries, Office of Neighborhood Safety, Richmond Promise College Scholarship Program, Richmond Housing Authority and Youth Works, except for collaborations between the above mentioned entities and community-based organizations and programs that meet the goals and eligible uses of the Fund;

Any service that primarily benefits adults over 24 years;

Any service for which a fixed or minimum level of expenditure is mandated by state or federal law, to the extent of the fixed or minimum level of expenditure;

Acquisition of any capital item not for primary and direct use by children or youth; acquisition, other than by lease for a term of ten years or less, of any real property; or maintenance, utilities or any similar operating costs of any facility not used primarily and directly by children or youth, or of any recreation or park facility, library, or hospital;

Capital expenditures for housing, or rent subsidies;

Primary and specialized medical and direct mental health services; however, prevention, education, and other behavioral and mental health support services are eligible for funding;

Income supports that supplant state or federal benefits or post-secondary tuition assistance;

Administration of other funds; or

Replacing existing funding for children and youth services as set forth in the Children's Baseline Budget in Section 6, except to the extent that the City ceases to receive federal, state, county, or private foundation funds that the funding agency required to be spent only on these services.

Section 6. Children and Youth Baseline Budget. The City shall ensure that the Fund is used exclusively to increase overall City expenditures for eligible services for children, youth and disconnected transitional-aged young adults.

- a. The City Manager shall calculate the City's total actual unrestricted general purpose revenues in fiscal year 2015-2016, and shall calculate the percentage of those revenues that were allocated in fiscal year 2015-2016 to services that would be eligible uses for monies from the Fund, excluding allocations for services mandated by state or federal law (the "Base Percentage").
- b. Commencing in fiscal year 2017-2018 and each fiscal year thereafter through fiscal year 2026-2027, the City shall allocate at least the Base Percentage of total actual unrestricted general purpose revenues to services that would be eligible uses of the Fund, excluding allocations for services mandated by state or federal law, and excluding any allocation of revenue required by this Article.

Section 7. Administration and Oversight. The Fund shall be administered by staff in a newly established Department of Children and Youth within the City Manager's office. Oversight of the Fund shall be provided by a fifteen-member Richmond Fund for Children and Youth Oversight Board (the "Oversight Board") that shall be composed as follows:

- a. Each member of the Richmond City Council shall appoint two City residents as members — one over 24 years old, and one who is 15 to 24 years of age.
- b. The Mayor of Richmond shall appoint three City residents as members, at least one of which shall be 15 to 24 years of age.
- c. The Mayor and City Council members shall use their best efforts to coordinate their appointments so that the members of the Oversight Board represent Richmond's diverse geographic communities, including unincorporated North Richmond.
- d. The Oversight Board shall have the following responsibilities, powers, and functions:
 - i. The role of the Oversight Board will be to develop written policies regarding the Fund, monitor the Fund, ensure that the Fund is managed in a manner accountable to the community, and ensure the highest standards of care and transparency.
 - ii. Responsibilities of the Oversight Board shall be:

1. Strategic planning: (a) creating an initial Strategic Investment Plan as described under Section 8, and (b) updating the Strategic Investment Plan every three years.
 2. Reviewing applications for funding from the Fund through a transparent and fair application process.
 3. Recommending to the City Council a list of grants to be awarded for each funding cycle.
 4. Facilitating an annual evaluation: working with a third-party, external independent evaluator to identify relevant evaluation measures and ensure that programs funded through the Fund are impactful and meet established outcomes. Evaluation reports shall be provided to the City Council and the Mayor's office and made available to the public.
 5. Reviewing financial reports and audits to confirm that spending from the Fund is consistent with all provisions of this Article, and that the funds are being managed responsibly.
- iii. The Oversight Board shall adopt rules and regulations to govern its procedures, which shall, among other things, include the manner of calling and giving notices of meetings. The Oversight Board shall meet a minimum of six times per year. Its meetings shall be open to the public and subject to the Ralph M. Brown Act open meetings law. A majority of the regular members shall constitute a quorum. Minutes of the meetings shall be filed with the city clerk.
 - iv. The Oversight Board shall be responsible for reporting to the public the services and outcomes supported by the Fund.
- e. The Oversight Board members serve two-year terms, provided that members under age 24 may serve a one-year term. There shall be no limitation on the number of consecutive terms served. The terms of the initial appointees to the Oversight Board shall commence on the date of the first meeting of the Oversight Board, which may occur when at least ten members have been appointed and are present. Oversight Board members shall serve at the pleasure of the appointing authority.
 - f. If a vacancy occurs during the term of office of any Oversight Board member, the appointing authority shall appoint a successor to complete the unexpired term in the same manner as the selection of the initial member.
 - g. In order to provide for staggered terms, eight members shall be chosen by lot, from among those able to serve for two years, to serve for an initial term of two years, with the remaining members to serve for an initial term of one year. Except for appointments to fill a vacancy, all subsequent appointments shall be for a term of two years, provided that members under age 24 may serve a one-year term.
 - h. Oversight Board members that are over 24 years of age shall not be a paid employee of an organization funded from the Fund or applying for funding from the Fund.

Section 8. Strategic Investment Plan. Each Strategic Investment Plan shall set forth funding priorities for a three-year period, and shall set forth a plan for overseeing and evaluating the Fund and the programs supported by the Fund. The Department of Children and Youth shall work with the Oversight Board to complete the Strategic Investment Plan and conduct a needs assessment.

- a. The needs assessment shall involve community meetings throughout the City, gathering input on the service needs of various populations.

- b. The funding priorities in the Strategic Investment Plan shall be based on the community needs assessment and input from the community.
- c. The initial Strategic Investment Plan shall be approved by a majority of the Oversight Board and presented to the City Council for its review and approval by September 30, 2017. The Strategic Investment Plan shall take effect no later than June 1, 2018.
- d. Any change in an approved Strategic Investment Plan shall be based on the community needs assessment and input from the community.

Section 9. Application Process. In order to ensure a stable, fair and effective service delivery system, the Fund shall be implemented as follows:

There shall be three-year planning and funding cycles, with funding beginning in the 2018-19 fiscal year.

Funds shall be allocated through an open and fair application process administered by the Department of Children and Youth in the City Manager's office in compliance with the policies adopted by the Oversight Board. The first application process shall begin no later than February 1, 2018 with funding available for encumbrance no later than July 1, 2018.

Recommendations for a list of grants to be awarded shall be made by the Oversight Board to the City Council. The City Council shall review and consider the recommendations of the Oversight Board. The City Council may reject the recommendations only if it determines that one or more recommendation is inconsistent with this Article or the priorities identified in the Strategic Investment Plan. The City Council shall accept or reject the Oversight Board's recommendations in their entirety and may not partially accept or partially reject the recommendations.

In the event the City Council rejects the list of grants proposed by the Oversight Board, it shall set forth its rationale for such rejection and recommend revisions to the Oversight Board for its consideration and action.

The City Council shall review and consider the amended recommendations of the Oversight Board, provide final approval of the list of grants to be awarded, and appropriate all necessary monies from the Fund. All grants and appropriations shall be consistent the provisions of this Article and the Strategic Investment Plan.

Section 10. Fiscal Emergencies. Commencing with fiscal year 2019-20, if a moderate fiscal emergency, as defined in this section, or a severe fiscal emergency, as defined in this section, is deemed to exist by the City Council, the portion of the City's annual actual unrestricted general purpose revenues to be allocated to the Fund shall be reduced as provided in this section. The City Council may deem a moderate fiscal emergency to exist in the event that the City's annual actual unrestricted general purpose revenues for a given fiscal year decrease by greater than ten percent (10%) but less than twenty percent (20%) from the level of such revenues during the previous fiscal year (defined as the "Benchmark Year"), and it may deem the moderate fiscal emergency to continue until the City's annual actual unrestricted general purpose revenues are no longer ten percent (10%) less than the level of such revenues during the Benchmark Year. If the City Council deems a moderate fiscal emergency to exist for a fiscal year, the amount required to be allocated to the Fund shall be reduced to two percent (2%) of the City's total annual actual unrestricted general purpose revenues for that particular fiscal year. The City Council may deem a severe fiscal emergency to exist in the event that the City's annual actual unrestricted general purpose revenues for a given fiscal year decrease by twenty percent (20%) or more from the level of such revenues during the Benchmark Year, and it may deem the severe fiscal emergency to continue until the City's annual

actual unrestricted general purpose revenues are no longer twenty percent (20%) less than the level of such revenues during the Benchmark Year. If the City Council deems a severe fiscal emergency to exist for a fiscal year, the amount required to be allocated to the Fund shall be reduced to one percent (1%) of the City's total annual actual unrestricted general purpose revenues for that particular fiscal year. Allocations to the Fund shall return to the level required in Section 2 for the first fiscal year in which a fiscal emergency no longer exists. There shall be no reductions in the allocation to the Fund pursuant to this Section 10 prior to fiscal year 2019-20.

Section 11. Reauthorization. The provisions of this Article may be extended without amendments for additional ten-year terms by a simple majority vote of the City Council. If the City Council does not act to extend the provisions of this Article before June 30, 2026, the City Council shall be obligated to place a measure on the November 2026 election ballot seeking voter approval of whether to extend the term for an additional ten years. This process shall be repeated every ten years, or until reauthorization is rejected by a vote of the electorate.

Enabling Legislation. The City Council may pass enabling legislation consistent with this Article regarding any aspect of the fund implementation not addressed in this legislation, including reporting requirements. The City Council shall adopt such legislation to be effective by October 1, 2017, and shall amend such legislation as necessary in the future.

Severability. If any provision or part of this Act, or the application of any provision or part to any person or circumstance, is for any reason held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions and parts and their applications shall not be affected, but shall remain in full force and effect, and to this end the provisions and parts of this Act are severable. The People declare that they would have adopted this Act and each provision and part thereof irrespective of the fact that any one or more provision or part may be declared invalid.

Interpretation. This Act shall be liberally interpreted to affect its purposes. Nothing in this Act shall be interpreted or applied so as to create any requirement, power or duty in conflict with any State or federal law.

Amendment or Repeal. This Act may only be amended or repealed by the affirmative vote of a majority of voters voting in a citywide election.

Judicial Enforcement. Any aggrieved person or registered voter in the City of Richmond shall have the right to maintain an action for equitable relief to restrain any violation of this Act, or to enforce the duties imposed on the City by this Act.