

Community Advisory Board on the Living Wage

June 6, 2012

Living Wage Advisory Board Meeting, May 31, 2012

Members present: Terrence Smith, George Donahue, Nancy O'Brien, Lisa Yanakakis

Members not present: David Slaney, Dan O'Neil

Also in attendance: Sheila Keady Rawson, Personnel Department, Ellen Semonoff, Jolyon Cowan and Jose Soares of DHSP, Reed Cochran, Executive Director of SCM Transportation

The meeting was called to order at 6:00 pm and the Agenda was approved. Members/attendees introduced themselves and welcomed the representative from SCM Transportation. The minutes from the last meeting were approved.

Presentation was made by Reed Cochran of SCM Transportation. She reported that the budget continues to shrink, and is at approximately \$1.8 million. Fuel costs have increased 14% over the last year, and more than 30% over the past two years. They have had layoffs and pay cuts, as well as the elimination of overtime. As of June 30, 2011, SCM transportation was running a \$35,000 deficit, and Ms. Corcoran expects it to be even larger this year.

Ms. Cochran stated about 15-20% of her staff are earning the living wage. Drivers typically do not, as they start at \$10/hour, with incremental increases annually. While acknowledging that benefits do not factor into the Living Wage analysis, Ms Cochran reported that they offer health insurance benefits to all their full-time staff, paying 60% of the cost, which has also been a growing budget item.

Ms Cochran spoke of the creative ways that they are looking for funds, and was pleased to report a \$300,000 grant, which they will receive over a two year period. SCM will use these monies to provide travel planning solutions and education services, particularly around public transportation and other transport options, with a goal of expanding SCM's scope of services while helping more people with transportation challenges.

Members of the board discussed the survival tactics that SCM has adopted, searching for additional funding mechanisms and exploring other service options. Lisa Yanakakis moved approval of the waiver, seconded by Nancy O'Brien. It passed unanimously.

May 1, 2012 City statistics were presented. Of those 365 employees earning the Living Wage, 83% were working at the DHSP, 5% are over age 65, 60% under age 30. Most of the positions are part time or seasonal. The current living wage is \$14.28 per hour.

Ellen Semonoff, Assistant City Manager of the Department of Human Service Programs, along with Jolyon Cowan and Jose Soares, spoke of the main Human Service Program grant funding sources, and the factors that go into making funding decisions. The first method described with funding through City tax dollars for what are essentially service contracts with community non

profits. Examples of this funding included the Agassiz Baldwin Community School Program, and First Step at CASPAR. These types of programs usually receive a set amount of City funds annually, and must report back on their programs. These programs certify that they pay the living wage as part of their bid process.

The next method detailed was grant funds from the Department of Housing and Urban Development (HUD). Members of the DHSP planning and development staff write grant proposals on behalf of the City and human service agencies, primarily to assist the homeless population in Cambridge. These funds fall into two types of categories- Emergency Solutions Grants (ESG) and Supportive Housing Programs (SHP). ESG funds, which this year total about \$240,000 have been given primarily to area shelters in the past, and now a substantial part of those funds will be used for the “Housing First” model. SHP funds (approximately \$3 million) provide funding for both supportive services provided by area non-profits and increasingly permanent supportive housing again part of the Housing First initiative , usually assisting in paying rents for the formerly homeless. Any agency receiving grants from DHSP over \$10,000 is compliant with the living wage.

The third source was Community Development Block Grant (CDBG) funds, which are allocated to communities based on specific formulas from HUD. Human Service Programs are allowed to receive only 15% of the total funds allocated to a community. Ms. Semonoff mentioned that in Cambridge, Human Service programs still receive the 15% CDBG allotment, while many communities no longer use CDBG funds for that purpose. The current Human Service CDBG funding contracted to community agencies is approximately \$271,000, down from \$500,000 a few years ago. These funds are allocated with the guidance of the Human Service Commission to 16 area programs, based on performance and need. No new programs are being added at this time, due to the decrease in CDBG monies. Most of the agencies that come before the living wage advisory committee are recipients of Human Services CDBG grants.

Terrence Smith asked about options available to agencies that may need additional funds. Ms. Semonoff explained that while Human Services would love to be able to provide more funding, the overall money pool is a set amount, thus increasing funds to one organization would mean pulling funds away from another.

Members of the Board expressed appreciation to Ms. Semonoff for her presentation.

Terrence Smith sought comment on a draft template to be used by waiver seekers in the future. He stated that he did not think the form should be mandatory, but rather a worksheet that waiver applicants would be asked to complete in advance of their presentation. Sheila Keady Rawson will send the draft template to some of the agencies that have come before the Board in the past and ask them to comment on the content and potential usefulness of the form.

The next meeting of the Advisory Board was set for September 6 at 6:00 PM.

The meeting adjourned at approximately 7:00 pm.

Draft Minutes prepared by Sheila Keady Rawson for consideration by the Board.