



CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-5729

February 3, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all necessary documents, and any necessary amendments, to receive and expend grant funding from Bloomberg Philanthropies for an amount up to \$3,000,000 over a three-year period, beginning January 1, 2015 through December 31, 2017;

Authorize a required cash match of \$1,000,000 over the course of the grant period; and

Increase appropriations in the General Grants Fund (SR 120) in the Department of the City Manager by \$1,000,000. (Citywide)

DISCUSSION

The Bloomberg Philanthropies (Bloomberg) Innovation Team Grant (grant) is a private foundation grant designed to improve the capacity of City Halls to effectively design and implement new approaches that improve the lives of residents. Mayor Garcia identified this opportunity through direct discussions with Bloomberg and requested that the City Manager apply for the grant.

The grant provides cities with dedicated in-house Innovation Team (i-team) members to identify and design solutions to pressing issues. i-teams focus on applying the Bloomberg Innovation Delivery approach to enhance City services. This approach requires the i-team to work with departments to investigate major problem areas, and to facilitate the design and implementation of innovative solutions. Once solutions are adopted, the i-team moves on to identify new challenges and solutions. Bloomberg awarded the first round of \$24 million in funding in 2011 to five cities: Atlanta, Chicago, Louisville, Memphis, and New Orleans. Through i-teams, all five cities have successfully implemented solutions to some of their greatest challenges, including stagnant neighborhood economic development, high murder and violence rates, and inefficient emergency services, among other initiatives.

On December 15, 2014, the City of Long Beach (City) was awarded \$3,000,000 in funding to develop and implement a City i-team. This is a three-year grant beginning January 1, 2015 and ending December 31, 2017. The City will receive \$1,000,000 per year for three years. Funding will provide for up to eight new City staff positions under the leadership of an Innovation Team Director across a range of disciplines, including project management,

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programming, design, and social sciences. These staff members will make up the City's i-team, and will be supported by Bloomberg consultants and resources available to the growing network of Innovation Delivery cities. The Innovation Team will reside in the City Manager's Office, and an Innovation Deputy will reside in the Mayor's Office.

With the acceptance of the grant, the i-team will work with City departments and external partners to implement the Bloomberg Innovation Delivery approach. As established in the grant application, the i-team's initial challenge is to improve access to City services and generate economic development citywide. Delivering innovative solutions to residents and businesses, such as a 24-hour City Hall, has increased local business openings, revitalized neighborhoods, and generated economic activity in other cities utilizing the Bloomberg approach. After completing initial projects identified in the grant, the i-team will address other priorities, including enhancing civic engagement and improving neighborhoods and business districts throughout Long Beach.

This matter was reviewed by City Attorney Charles Parkin on January 26, 2015 and by Budget Manager Lea Eriksen on January 23, 2015.

TIMING CONSIDERATIONS

City Council action is requested on February 3, 2015, to allow timely implementation of program activities. Bloomberg requires an Innovation Team Director to be hired by February 27, 2015.

FISCAL IMPACT

Cities are expected to match the grant at a 1:3 ratio (1 matched dollar for every 3 grant dollars), with half of the required match raised by February 1, 2016 and the balance identified by February 1, 2017. Eligible matched funds may be used for implementation costs associated with initiatives developed by the i-team. In addition, the final year of grant funding is contingent upon securing public funding to sustain the Innovation Team Director or a senior level i-team member beyond the grant term by no later than December 31, 2016.

To address the first year grant match, the City Manager has identified \$400,000 in funds from the Uplands FY 14 Year-End Surplus. In addition, the City Manager is recommending that \$2,000,000 of FY 14 General Fund department savings be dedicated to creating a new Innovation and Efficiency Initiatives revolving fund. A portion of these funds will be directed to support the implementation of i-team solutions and meet grant requirements. In 2015, the Office of the City Manager will identify the funding required for the Innovation Team Director or senior level i-team member beyond the grant term. Funding for FY16 and FY17 will be handled through the annual budget process.

Up to eight new FTE positions will be created as a result of this recommended action.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
CITY MANAGER



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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