

RESOLUTION No. 2009-79-1024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, APPROVING A CITY-WIDE FINANCIAL LITERACY INITIATIVE AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL REQUIRED AGREEMENTS AND TAKE ALL NECESSARY STEPS IN ORDER TO IMPLEMENT COMPONENT 1 OF THE INITIATIVE; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, one of the strategies outlined in the City's 2006-2011 Consolidated Plan is Anti-poverty, and

WHEREAS, as part of the strategy, the City has implemented housing rehabilitation programs as well as other public services geared towards the City's seniors and youth, and

WHEREAS, it is important that families and residents become financially literate in order to gain self-independence and empowerment, and

WHEREAS, City would like to initiate a Financial Literacy Initiative consisting of various components, and

WHEREAS, the first component would include an outreach and marketing campaign geared at marketing the initiative, and

WHEREAS, component 2 will consist of an actual financial literacy curriculum where classes will be taught, and

WHEREAS, City staff is requesting that the City Council approve the Initiative and authorize the City Manager to take any and all steps necessary in order to implement component 1 of the Initiative, including entering into agreements with selective marketing vendors in an amount not to exceed Fourth-Five Thousand (\$45,000.00), and

WHEREAS, funding for this Initiative will come from the General fund,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

Section 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

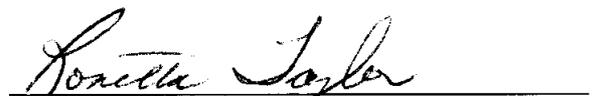
Section 2. AUTHORIZATION: The City Council of the City of Miami Gardens hereby approves a City of Miami Gardens City-wide Financial Literacy Initiative and authorizes the City Manager to execute all required agreements and to take all necessary steps to implement component 1 of the Initiative, and to expend a sum not to exceed \$45,000.00 from the General Fund for this purpose.

Section 3. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS AT ITS REGULAR MEETING HELD ON APRIL 8, 2009.

ATTEST:


SHIRLEY GIBSON, MAYOR


RONETTA TAYLOR, MMC, CITY CLERK

PREPARED BY: SONJA KNIGHTON DICKENS, ESQ.
City Attorney

SPONSORED BY: COUNCILMAN ANDRÉ WILLIAMS

MOVED BY: Mayor Gibson
SECONDED BY: Councilman Gilbert

Resolution No. 2009-79-1024

VOTE: 5-2

| | | |
|--------------------------------|--------------------|-------------------|
| Mayor Shirley Gibson | <u> </u> (Yes) | <u> x </u> (No) |
| Vice Mayor Barbara Watson | <u> x </u> (Yes) | <u> </u> (No) |
| Councilman Melvin L. Bratton | <u> x </u> (Yes) | <u> </u> (No) |
| Councilman Aaron Campbell | <u> x </u> (Yes) | <u> </u> (No) |
| Councilman Oliver Gilbert, III | <u> </u> (Yes) | <u> x </u> (No) |
| Councilwoman Sharon Pritchett | <u> x </u> (Yes) | <u> </u> (No) |
| Councilman André Williams | <u> x </u> (Yes) | <u> </u> (No) |

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City of Miami Gardens Agenda Cover Memo

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|--|--------------------------------------|-----------|--|---|------------------|-------------------------------|
| Council Meeting Date: | April 8, 2009 | | Item Type: <i>(Enter X in box)</i> | Resolution X | Ordinance | Other |
| Fiscal Impact: <i>(Enter X in box)</i> | Yes | No | Ordinance Reading: <i>(Enter X in box)</i> | 1st Reading | | 2nd Reading |
| | X | | | Public Hearing: <i>(Enter X in box)</i> | Yes | No |
| Funding Source: <i>(Enter Fund & Dept)</i> General Fund | | | Advertising Requirement: <i>(Enter X in box)</i> | Yes | | No |
| | | | | X | | |
| Contract/P.O. Required: <i>(Enter X in box)</i> | Yes | No | RFP/RFQ/Bid #: | N/A | | |
| | | X | | | | |
| Sponsor Name | Councilman Andre Williams | | Department: | Community Development | | |

Short Title:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, APPROVING A CITY-WIDE FINANCIAL LITERACY INITIATIVE AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL REQUIRED AGREEMENTS AND TAKE ALL NECESSARY STEPS IN ORDER TO IMPLEMENT COMPONENT 1 OF THE INITIATIVE; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background

One of the strategies outlined in the City's 2006-2011 Consolidated Plan was the Anti-poverty. This strategy described activities geared toward reducing the number of individuals and households with incomes below the poverty line. As part of the City's comprehensive approach in reaching this objective, four activities were identified (economic development, housing programs, neighborhood improvement projects, education programs) as part of this initiative.

Current Situation

The City has been very successful in its housing rehabilitation program, as well as public services programs for seniors and youth. Yet, there is lack of programming to educate and train individuals and families on the importance of good money management and the benefits of establishing some form of financial stability for the future. As we know, recent studies and news reports indicate a substantial

**ITEM J-3) CONSENT AGENDA
RESOLUTION
Financial Literacy Initiative**

increase of foreclosures in our community. Financial literacy is an essential element to empower self-sufficiency and give independence back to a population that has been affected by situations such as this.

To equip low income individuals and families with the knowledge base on how to become more self-sufficient and prepared for future events that affect finances in the home, staff supports the concept of a city-wide financial literacy initiative. This initiative (*Family First*) consists of two (2) components.

Component #1 is an outreach campaign involving radio and print media aimed at outlining the City's efforts and the benefits to City residents. Staff has obtained preliminary pricing from a marketing and public relations firm (the Marome Agency) previously engaged by the City for other similar services. Their proposed professional fee for a year-long campaign is estimated at \$9,500, which is under the procurement threshold requiring competitive bidding. There are additional television, radio, and printing costs tied directly to the marketing of the campaign totaling \$34,954. These costs would be paid by the city directly to each vendor. The total proposed cost for component # 1 is \$44,454.

Component # 2 consists of the provision of the actual financial literacy curriculum. The classes are expected to be offered once per quarter and will be made up of 2-hour classes offered once a week over a 6-8 week period. The classes will be conducted by Partners for Self Employment (PSE), a not-for-profit 501 (c) (3) agency that would provide financial literacy and self-sufficiency training programs to low-income individuals and families. Founded in 1993, PSE's mission is "to support the accumulation of assets and the financial self-sufficiency of low-income families by providing opportunities to make, borrow, save, and manage money."

The curriculum provided by PSE features a different subject theme each quarter. For the purpose of consistency, some session topics will be repeated during the course of the program under different themes. The proposed subject themes are as follows:

- "Foundations for Good Home Ownership"
- "Avoiding Foreclosure"
- "We're Facing Possible Foreclosure"
- "Foreclosed and Out of My Home....Now What?"

PSE's proposal for providing this program is \$24,109.

Analysis

Component # 1's cost is not an eligible expenditure using Community Development Block Grant Funds (CDBG). As such, the Council will have to allocate General Fund dollars toward this effort should it determine to support this initiative.

Component # 2's cost can be funded using CDBG funds. However, an allocation of these funds requires a 30-day public notice of funding allocation as per HUD regulations. Also, a separate council approval is necessary, as the City will have to enter into a sub-recipient agreement with PSE for the provision of their services upon completion of the HUD requirement.

Required Action

The initiative outlined above consists of two (2) components, the outreach campaign and the financial literacy curriculum. The proposed resolution seeks Council approval on the overall Financial Literacy Initiative, inclusive of an approval of the allocation of general fund dollars for component # 1. If approved, component # 1 would require Council to authorize the City Manager to enter into an agreement with the Marome Agency for the professional services for this initiative for the fee of \$9,500. In addition, the City Manager would need to receive authority to execute the necessary purchase orders with the selected vendors for the marketing services, in amount not to exceed \$35,000.

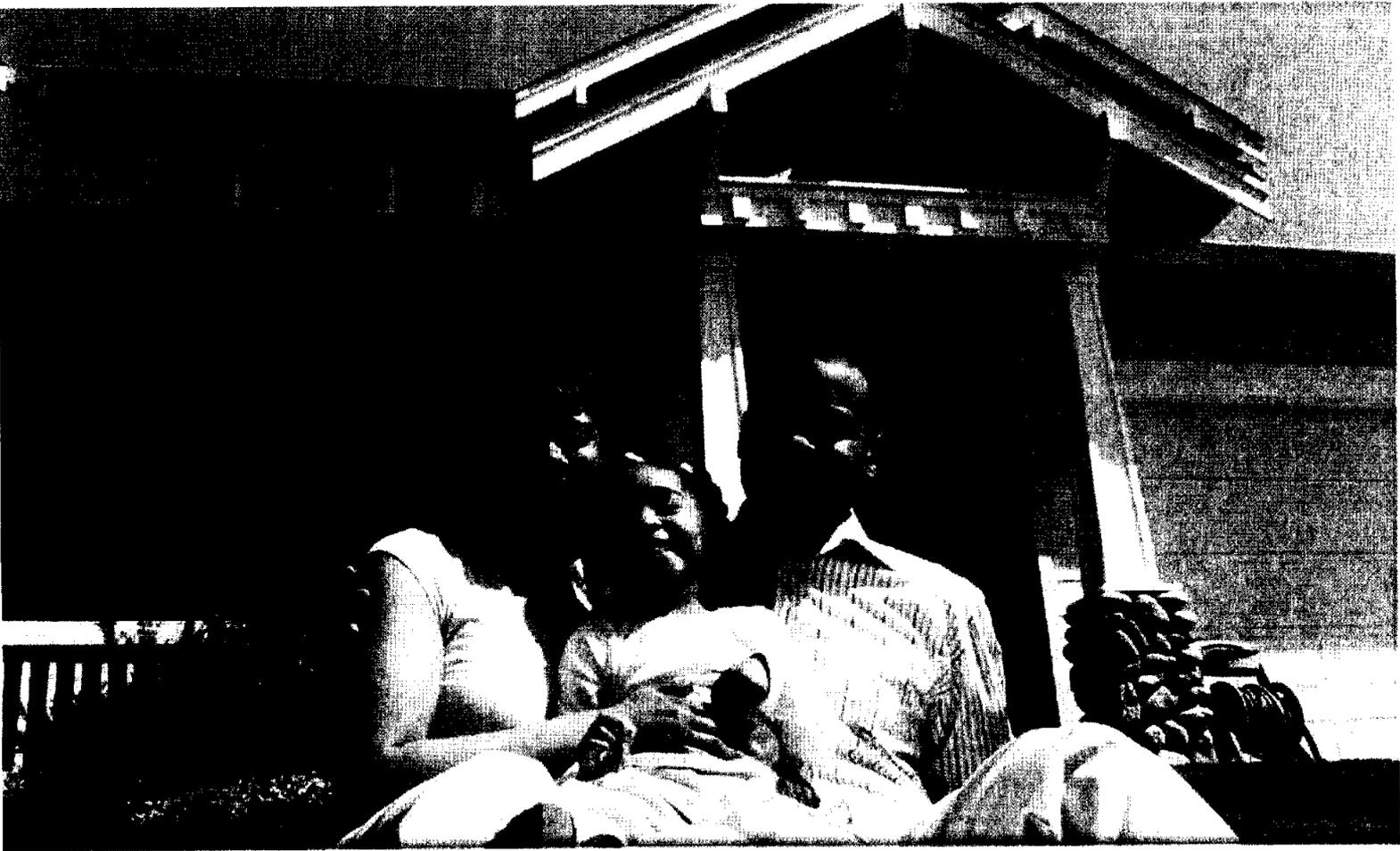
The approval of component # 2 would need to be brought back to Council at a later time in order to satisfy the public notice requirement for CDBG fund allocations. Component # 2 would require Council to authorize the City Manager to enter into a sub-recipient agreement with Partners for Self Employment for the provision of the financial literacy curriculum.

Recommendation:

Staff recommends Council approval of the proposed resolution, approving the City-wide Financial Literacy initiative and authorizing the City Manager to execute all required agreements and take all necessary steps to implement component #1.

Attachment:

- "Family First" Campaign materials
- Partners For Self-Employment curriculum outline



CITY OF MIAMI GARDENS

FAMILY FIRST

INITIATIVE

PROPOSAL

Creating Sustainable Solutions
for a Growing Community





CITY of MIAMI GARDENS
FAMILY FIRST
INITIATIVE
HOUSING

To provide families with alternatives that will assist them:
a. Refinancing/Restructuring Solutions
b. Transition and Relocation Assistance
c. Affordable Home Buyer Programs
d. Rental Free and Upgrade programs





CITY of MIAMI GARDENS

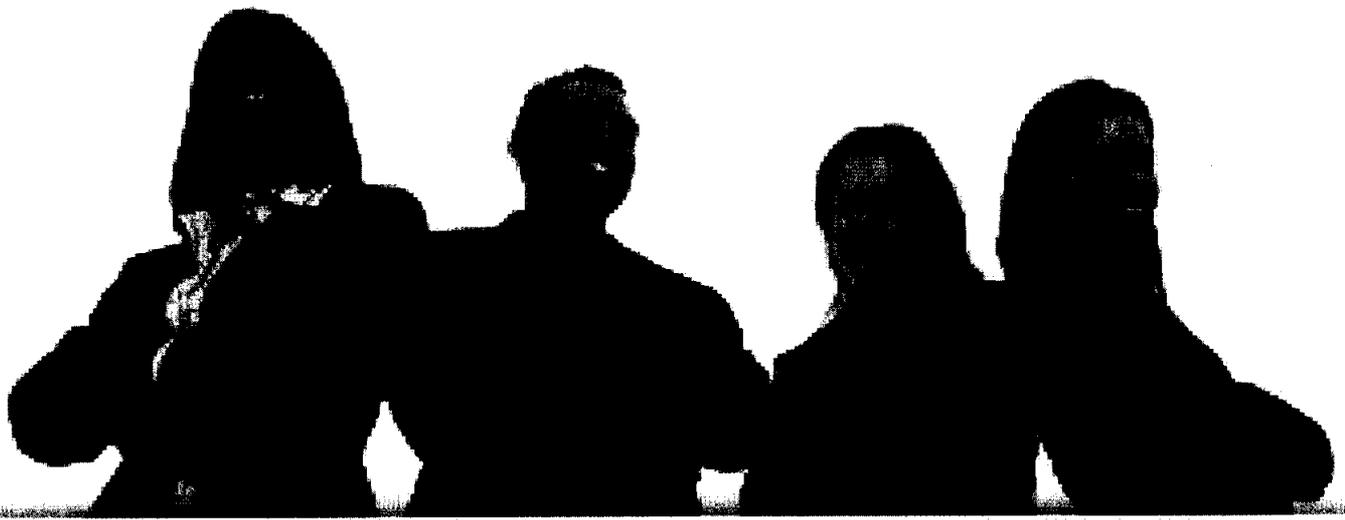
COMMUNITY PARTNER

INITIATIVE

PROVIDE & PROMOTE

COMMUNITY PARTNER





CITY of MIAMI GARDENS
FAMILY FIRST
INITIATIVE

ENTREPRENEURSHIP





CITY of MIAMI GARDENS

COMMUNITY PARTNERS

INITIATIVE

PERSONAL FINANCE
SOLUTIONS FOR THE FUTURE



**Department of Community Development
City of Miami Gardens Financial Literacy Program Outline
Partners for Self-Employment**

Quarter 1: Foundations for Good Home Ownership

- Month 1: Predatory Lending
 Budgeting and goal setting
- Month 2: Leveraging funds from other sources for the low income family:
 IDA Matched Saving
 Neighborhood Housing Services
 (Miami Dade County Sponsored Programs (down payment assistance, forgivable
 2nd mortgages, closing cost assistance))
 Leveraging your EITC
- Month 3: Creating & Maintaining Banking Relationships
 Guest Speakers: Bankers are invited from several banks including Citibank,
 WAMU, and Bank Atlantic
 Preparing to become a homeowner

Quarter 2: Avoiding Foreclosure

- Month 1: The warning signs and immediate actions to take
 Tips for avoiding Foreclosure
 1. Budgeting
 2. Ways to contact the lender and what to say
 3. Understanding your mortgage contract and your rights under that contract
 Guest Speaker Legal Services of Greater Miami
 4. Using your assets
- Month 2: Choosing a housing counselor and how a housing counselor can help you
- Month 3: Insurance & Investing

Quarter 3: We're Facing Possible Foreclosure

- Month 1: Avoiding Foreclosure Scams
- Month 2: Credit & Debt Management
 Guest Speaker: Consumer Credit Counseling this session includes reading &
 understanding your credit report, disputing items on your credit report and
 working to improve your credit
- Month 3: Making financially sound choices

Budgeting & Goal setting

This includes budgeting exercises that the entire family can participate in (PSE has found that children hold a lot of spending power especially in single parent households and that when children are included in the budgeting exercises it helps them reduce the pressure on parents to spend on wants instead of needs)

Quarter 4: Foreclosed and Out of My Home...Now What?

Month 1: Basic steps for surviving a foreclosure

1. Transitioning into a new area
2. Keeping your kids & family focused on the future and not the past
3. Overcoming the embarrassment of being foreclosed
4. Making accommodations for pets in a "No Pets Allowed" renters world

- PSE has never engaged in this topic but we will search out a family counselor to teach these and related topics

Month 2: Downsizing (Space & Style)

A review of needs vs. wants and making sound decision for recovery

Month 3: Credit & Debt Management

Beginning the credit recovery process and specific steps on achieving this
Guest Speaker: Consumer Credit Counseling