

SUMMARY ACTION MINUTES

APPROVED: 10-11-12

FIRST 5 LA

SUMMARY ACTION MINUTES  
Commission Meeting  
September 13, 2012

**COMMISSIONERS PRESENT:**

**Commissioners:**

Nancy Au  
Jane Boeckmann  
Philip Browning  
Jonathan Fielding (Vice Chair)  
Sandra Figueroa-Villa  
Neal Kaufman  
Christopher Thompson (Alternate)  
Zev Yaroslavsky (Chair)

**Ex-Officio Commissioners:**

Patricia Curry  
Arturo Delgado  
Duane Dennis  
Deanne Tilton

**COMMISSIONERS PRESENT:**

**Commissioners:**

Marv Southard [Excused]  
Antronette Yancey [Excused]

**STAFF PRESENT:**

Craig Steele, Interim Chief Executive Officer  
Yolanda Bosch, Chief Administrative Officer  
Antonio Gallardo, Chief Program Officer  
Teresa Nuno, Director of Community Investments  
Raoul Ortega, Interim Finance Director  
Maria Romero, Executive Assistant

**LEGAL COUNSEL:**

Nancy Takade, County Counsel

**CALL TO ORDER / ROLL CALL:**

1. Vice Chair Fielding called the meeting to order at 1:56 pm. Quorum was present.

**CONSENT CALENDAR: (Items 2 – 4)**

2. Approval of Commission Meeting Minutes – Thursday, July 12, 2012

**M/S (Philip Browning / Jane Boeckmann)  
WITH NO DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED**

Approval of Commission Meeting Minutes – Friday, August 3, 2012

**M/S (Philip Browning / Jane Boeckmann)  
WITH NO DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED**

Approval of Commission Meeting Minutes – Friday, August 24, 2012

**M/S (Philip Browning / Jane Boeckmann)  
WITH NO DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED**

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Approval of Commission Meeting Minutes – Saturday, August 25, 2012

**M/S (Philip Browning / Jane Boeckmann)  
WITH NO DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED**

3. Approval of the Monthly Financial Statements for the Month Ending May 31, 2012

Interim Finance Director Ortega presented the monthly financial statements for the months ending June 30, 2012 and July 31, 2012. He reported the financial statements being presented were unaudited and staff was currently finalizing the Comprehensive Annual Financial Report for FY 2011-12 for the Commission meeting in October.

**M/S (Philip Browning / Jane Boeckmann)  
WITH NO DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED**

4. Approve New Agreements, Amendment and Renewals Approved in the FY 2012-13 Programmatic Budget and Authorize Staff to Complete Final Contract Execution Upon Approval From the Board

Commissioner Au, in her role as a Best Start Liaison, raised a question regarding the Para Los Ninos contract that was part of the consent calendar. Although, it was important to renew the contract since the current contract terminated at the end of the month, Commissioner Au requested that staff report back to the Commission on issues of scope of work and potential amendments to it.

**M/S (Philip Browning / Jane Boeckmann)  
WITH NO DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED WITH DIRECTION GIVEN TO STAFF  
FOR A FOLLOW-UP REPORT**

**COMMISSION: (Items 5 – 13)**

5. Announcements by the Commission Chair

None

6. CEO Report

The written report was received and filed as submitted. In addition to the written report, the following items were highlighted:

- **Electronic Agenda Packet** – The Commission is moving toward an electronic agenda packet. Currently, a pilot-test of an iPad application is being conducted with a select group of Commissioners. The goal is to have electronic agenda packets by the end of the year with paper copies only for the public. A brief demonstration of the iPad application being pilot-tested was presented to the Commission.

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- **Annual Audit** – Staff in the Finance Department has been working with the auditors in the completion of the annual audit. The draft report will be presented to the Budget & Finance Committee and then to the Commission in October. The Commission will be issued a clean audit with two minor notations on the management letter.
  - **NOFA** – The NOFA will be posted on the Commission’s website beginning September 14.
  - **Modified Commission Agenda** – Item 8 on the Commission agenda regarding Tot Parks & Trails will be continued to the Commission meeting in October.
7. Approve Resolution 2012-09 Increasing the Connecting the Risk and Perinatal Services Allocation and Increasing the FY 2012-13 Program Budget for the Connecting the Risk and Perinatal Services, Information Resources and Referral (211) and Children’s Vision Care Line Items

**NOTE: The Resolution should be 2012-10 and not 2012-09 as referenced in the item language above. The Resolution number is being corrected to reflect an accurate record.**

Interim Finance Director Ortega presented Resolution 2012-10 for approval. During the last year, the Commission has adopted, in the spirit of transparency, a new practice for any changes to allocations and to the adopted FY 2012-13 Program Budget to be brought for formal approval via Resolution.

Resolution 2012-10 specifies budget increases for the following initiatives and programs.

1. **Connecting Risk and Perinatal Services Countywide Initiative** - Staff is requesting a \$25,000 increase to the approved allocation. Staff is requesting use of the prior year remaining balance of \$12,084 and the \$25,000 of new allocated funds to amend FY 2012-13 program budgets to \$144,692, a total increase of \$37,084. The additional funds will be used to pursue additional contract to assess County Agencies.
2. **Information Resource and Referral (211)** – Staff is requesting a \$19,760 increase to the FY 2012-13 Program Budget. The amount will be slated for anticipated consulting expenditures.
3. **Children’s Vision Care Countywide Initiative** – The FY 2012-13 Program Budget was approved prior to the approval of the Children’s Vision Care Countywide Initiative on July 12, 2012. Staff is requesting a \$376,800 increase to the FY 2012-13 Program Budget to move forward and enter into a contract with the UCLA Jules Stein Eye Institute to implement year one of the program.

The approval of Resolution 2012-10 has two levels of impact to the Commission: (1) Fund Balance Level; and (2) adopted program budget for FY 2012-13 level. As a result of the July 12, 2012 action by the Commission, the Unrestricted Fund Balance will decrease the by \$44,760 and the program budget will increase by \$421,560.

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**M/S (Jonathan Fielding / Sandra Figueroa-Villa)  
WITH NO DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED WITH THE DIRECTION GIVEN TO STAFF**

8. Approval to Negotiate Contracts with Two (2) Organizations to Implement the Tot Parks & Trails Investment in an Amount Not-to-Exceed \$1.92 Million Distributed in Los Angeles County Fifth District

This item was continued to the Commission meeting in October.

9. Approval to Establish a Strategic Partnership with NCB Capital Impact (NCBCI) for a Total Amount of \$2 Million Over Four Years in Order to Create and Administer a Healthy Corner Store Conversion Program in Conjunction with the California FreshWorks Fund; An Additional \$100,000 is Requested for an Evaluation that will Measure the Impact of FreshWorks; Approval is Also Requested for the Authority to Issue an Initial Contract of up to \$1,820,000 for an Anticipated Contract Term of February 2013 through June 2014

Director Nuno reported that many children and families do not have access to healthy food in their communities. There are nearly 13,000 children under the age of five years that live in the 29 communities defined as food desert census tracts located in Los Angeles County.

Staff is proposing an opportunity to join forces with the FreshWorks Fund to help address the challenges that result from a lack of healthy food access in communities. Specifically, staff is seeking approval to enter into a strategic partnership with NCB Capital Impact and The California Endowment in the amount of \$2 million over four years to establish the Healthy Corner Store Conversion Program, which will leverage a direct \$1 million match from the FreshWorks Fund to the proposed program. An additional \$100,000 is also being requested for the evaluation of the fund.

The proposed investment represents a timely opportunity to leverage significant public and private dollars in support of the Commission's priority goal that children maintain a healthy weight. It is also highly aligned with and complementary to a number of projects that work toward increasing healthy food access and maintaining a healthy weight for children aged 0-5 and their families.

The purpose of the Healthy Corner Store Conversion Program is to increase access to healthier food options in communities that lack it. The program will be structured as a competitive program to Los Angeles County-based intermediaries such as Community Development Financial Institutions (CDFI) who currently manage a small market (or "corner store") conversion program. Up to 10 intermediaries will be awarded up to \$200,000 (through a competitive process) in capital investments in the form of low-interest loans along with a companion grant of \$75,000 for supportive services and technical assistance to develop a 0-5 outreach/educational program. The overall selection and awarding process will be managed by NCB Capital Impact.

Staff anticipates that each intermediary will facilitate between six and 12 corner store conversions for a cumulative total of 60 to 120 healthy corner stores converted by the end of the four year program.

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First 5 LA will also contribute \$100,000 toward the overall evaluation of FreshWorks. The evaluation will include an examination of the outcomes of this program such as evaluating an increase in fresh food consumption in food desert areas. Furthermore, First 5 LA is currently coordinating with The California Endowment as well as other FreshWorks partners who are interested in collaborating in the evaluation of the Fund to design possible measurement indicators for a comprehensive evaluation plan.

The proposed program is aligned with and complementary to Commission projects that work toward increasing healthy food access and maintaining a healthy weight for children 0-5 and their families. Those investments include Best Start, the community gardens project, veggie voucher program, Tot Parks and Trails Initiative, child obesity prevention as well as the policy agenda.

First 5 LA funds will be held and managed by NCB Capital Impact who will administer and manage the four year program. Staff in the Community Investments Department will work closely with NCB Capital Impact and the intermediaries to ensure continued coordination with existing First 5 LA investments. Each CDFI intermediary at the local level will have to demonstrate their ability to implement an outreach/program to First 5 LA's target population to increase their awareness of the availability of healthier food options in their community. Some examples of outreach/program related activities include but are not limited to corner store market tours and healthy food cooking demonstrations.

Vice Chair Fielding commented that he was excited about the proposed project and proposed strategic partnership. He commented that he was perplexed with the staff report stating that The California Endowment had a revolving fund of \$250 million but it was unclear whether any of these funds would be used in Los Angeles County. Vice Chair Fielding stated that it would be terribly surprising if some of these funds were not allocated to Los Angeles County given the concentration of poverty. Specifically, Vice Chair Fielding asked why this project was seen as a priority for Los Angeles given the other resources available.

Staff responded that this was an opportunity for First 5 LA to leverage a committed amount of funding to Los Angeles County. The FreshWorks Fund is a state-wide initiative and through the proposed strategic partnership, there is a guarantee that \$1 million would be brought to Los Angeles County and there would be a focus on corner store conversion.

Commissioner Au asked, as a follow-up to a staff briefing on this issue, if any of the Best Start communities would benefit from this program. Staff responded that six of the 14 Best Start Communities were considered to be a food desert. Given this, staff would work with the intermediaries that will be selected on prioritizing which corner stores can be converted.

Commissioner Au asked if this program would be available to other communities aside from the identified 29 food deserts. Staff responded that the process was an interactive process and took into consideration the food landscape of the targeted area. Any of the 88 cities in Los Angeles County as well as strong operating non-profit organizations in the food sector could potentially be intermediaries, if they had a robust program.

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Commissioner Kaufman commented that program-related investment was a relatively new way of having non-profit organizations not only give out grants but actually create a sustainable source of revenue as well as a sustainable program. The non-profit organizations are provided with a loan which is to be repaid. This allows for programs to be implemented and for revenue to continue to be used in the future with other organizations on similar efforts. Commissioner Kaufman commented he was glad the Commission was involved with this new way of thinking.

Commissioner Kaufman requested that a monthly report be provided on branding opportunities given all of the funding that is provided by the Commission to various grantees and strategic partners.

**M/S (Jonathan Fielding / Jane Boeckmann)  
WITH NO FURTHER DISCUSSION OR OBJECTION,  
THE ITEM WAS UNANIMOUSLY APPROVED AS PROPOSED**

10. Approve the Draft Response Letter to the Civil Grand Jury Authorizing the Chair to Sign the Letter on Behalf of the Commission and Direct the Interim Chief Executive Officer to Submit the Response Prior to the Deadline on October 1, 2012.

Interim CEO Steele reported that following the Harvey M. Rose audit, the Los Angeles County Civil Grand Jury took a look at the operations of First 5 LA and its response to the Harvey M. Rose audit. The Civil Grand Jury found that the Commission was making good progress in implementing the recommendations of the audit and further recommends that the Commission continue to do so.

Under applicable law, the Commission is required to file a response to the report back to the presiding judge, either indicating agreement or disagreement. The Commission, in this case, agrees with the report. A response letter has been drafted. Approval of the response letter and the granting of signature authority to the Commission Chair was requested.

**M/S (Jonathan Fielding / Philip Browning)  
WITH NO FURTHER DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED AS PROPOSED**

11. Approve the Revised Policy on Appeals

CAO Bosch reported that on January 12, 2012, the Commission approved the Policy for Appeals of certain Commission decisions. This policy permits written appeals of certain First 5 LA decisions to award contracts and grants based only on the grounds that the decision failed to comply with applicable law, policy, procedure or the terms of the document under which the contract or grant was awarded.

Over the course of the past eight months staff has had the opportunity to review and apply this policy. In doing so, staff has realized that some of the procedures need to be more clearly defined. The recommended changes are aimed at trying to make the policy more efficient by giving certainty to the date an appeal can be deemed to have been received by First 5 LA. The changes also provide for an appeal to be filed in a manner that ensures an electronic record will be generated.

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**M/S (Jonathan Fielding / Zev Yaroslavsky)  
WITH NO FURTHER DISCUSSION OR OBJECTION,  
THE ITEM WAS APPROVED AS PROPOSED**

12. Acknowledge Receipt and File the 2010-2011 Annual Report from First 5 California

Interim Finance Director Ortega reported that on an annual basis, First 5 LA is required by Proposition 10 to acknowledge receipt and file of the 2010-2011 Annual Report. Across the State, the First 5 California Commission touches the lives of millions of children and their families every year. The report tells that story with both a State and local community voice. The annual report is posted on the First 5 California website ([www.cfc.ca.gov](http://www.cfc.ca.gov)) under the Media/Publications section and on the First 5 LA website ([www.first5la.org](http://www.first5la.org)).

**M/S (Jonathan Fielding / Philip Browning)  
WITH NO FURTHER DISCUSSION OR OBJECTION,  
THE ITEM WAS UNANIMOUSLY APPROVED AS PROPOSED**

13. Public Comment for Items Not on the Agenda

Interim CEO Steele reported that the Commission met in Closed Session prior to the Commission meeting. The Commission took no reportable action.

Ron Rohovit, Best Start Metro LA

**ADJOURNMENT:**

With the conclusion of the agenda, Chair Yaroslavsky asked for a motion to adjourn the meeting.

**M/S (Jonathan Fielding/ Sandra Figueroa-Villa)  
WITH NO FURTHER DISCUSSION OR OBJECTION,  
THE MEETING WAS ADJOURNED**

The Commission adjourned at 2:32 pm.

**NEXT MEETING:**

The next regularly scheduled Commission meeting will take place on October 11, 2012 at 1:30 pm.

First 5 LA  
Multi-Purpose Room, First Floor  
750 N. Alameda Street  
Los Angeles, CA 90012

Meeting minutes were recorded by Maria Romero, Secretary to the Board of Commissioners.