
City of Kelowna

MEMORANDUM

DATE: September 6, 2005
FILE: 1855-20
TO: City Manager
FROM: Community Planning Manager
RE: Grants Programs under Community Planning
REPORT PREPARED BY: Theresa Eichler

RECOMMENDATION:

THAT the report dated September 6, 2005 from the Central Okanagan Foundation on their contract to administer the Community Social Development, Grants to Address the Sexual Exploitation of Youth and Emergency Grant Programs be received for information;

THAT Council authorize staff to conduct a Request for Proposals process to award a contract to administer the three community planning grant programs governed by Council Policies 218, 277 and 312, based on the findings of this staff report:

THAT Council direct staff to amend the Council Policies 218, 277 and 312 to recognize the administration of the grants process for these programs by an external agency;

THAT Council authorize the amendment of Council Policies 218, 277 and 312 to specify that projects and programs that are the subject of grant applications will not be funded retroactive to the Council decision to award a grant;

THAT Council consider the amount of the contract to administer the above-stated contract as part of the 2006 Budget process:

AND THAT Council direct staff to report back to Council on recommended grant funding levels for the Community Social Development, Grants to Address the Sexual Exploitation of Youth and Emergency Grant programs, following the completion of the review of the Community Planning Function, and as part of the 2006 budget process.

PURPOSE:

The purpose of this report is to provide a recommendation to Council regarding the administration of the grant programs that fall within the Community Planning budget area and report on the outcome of the contract to Central Okanagan Foundation for this purpose on a trial basis in 2005.

REPORT:

In September of 2004, Council approved the recommendations of staff to award a one year contract to the Central Okanagan Foundation to administer the three grant programs that are administered within the area of Community Planning: the Community Social Development Grants; the Grants to Address the Sexual Exploitation of Youth and the Emergency Grants programs. In 2004, staff estimated that the grants programs accounted for 189 hours (about 5 and a half weeks) annually for the Community Planning Manager and 56 hours of clerical time. This was considered a conservative estimate. The Central Okanagan Foundation was awarded a contract that cost the City no more than the internal costs to administer the grants in 2005.

A report from the Central Okanagan Foundation regarding its experience with the 2005 administration of these City grants is attached. One of the key recommendations from the Central Okanagan Foundation is to increase the annual budget of \$57,800 for the Community Social Development grants. It does not refer to an amount, but indicates that there was a total of \$261,798.50 requested by just over 20 applications under the Community Social Development grant program and further indicates that most of the applications demonstrated a good match to the City's policy direction for these grants. In the 10 years that current City staff has been involved in administering the CSD grant program, staff would advise that the norm for receiving applications under the CSD program has been for a total of about \$300,000 requested by between 20 and 30 applicants. Upon review of the applications, normally there would be a significant number that do not fit the intent of the grant program, or have requested unreasonable amounts of money.

The COF report also makes reference to the work underway by the Social Planning & Research Council of BC (SPARC) on behalf of the City. SPARC staff would have interviewed COF staff and is holding a workshop on September 13th as part of its contract to help the City evaluate its Community Planning function. A reconsideration of the budget for the CSD program would be more appropriate as a piece of the package of recommendations regarding community planning that will be delivered to Council following completion of the consultation work by SPARC.

COF staff also recommends that the grants policies make it clear that grants would not be given for retroactive programs or projects, providing an example of one of the 2005 applications. This is a sensible recommendation and can be implemented by amending the Council policies governing the grants to add this requirement.

External administration of the grants programs was beneficial from the City staff perspective as well. Minimal time was required to speak directly with applicants. These could be referred directly to the COF. A small amount of time was spent assisting COF staff with the grants process and answering questions. Some continuation of grant work from grants awarded prior to 2005, in the form of review of year end reports and awarding the outstanding 10% payments in return for an acceptable year end report, was undertaken. Overall the amount of time normally required for grants administration was available for other projects and tasks within Community Planning. One important factor was the increase in un-interrupted blocks of time generated by not dealing with grants enquiries. It will take a while to truly assess the positive increase in time available for other work. One illustration of this is the relative ease of keeping up with providing community planning comments in response to development applications in 2005, when compared to 2004, when provision of community planning development comments fell significantly behind schedule. 2005 is also a much busier year for development activity, when compared to 2004.

Staff recommends that community planning grants programs continue to be administered by an external agency with the appropriate qualifications. Awarding the contract directly to the Central Okanagan Foundation, as a permanent service would bypass proper process. As a one year trial arrangement, this was workable, as there was insufficient information to offer a long-term arrangement. For a long-term contract to administer the three grant programs, an RFP process

should be followed. Finally, wording of the Council policies governing the grants will need amending to indicate that an external agency will be administering the grants application process.

SUMMARY:

Based on the results of the one year trial arrangement between the City and the Central Okanagan Foundation to administer the community planning grant programs, staff is recommending that the City conduct an RFP process to offer a long term contract to administer these grants to an appropriate agency. Additionally, it is recommended that the Council policies governing the grants be amended to recognize that the grants administration service is contracted. Also, based on the report from the COF, the policies should be changed to specify that retroactive funding will not be offered to programs and projects presented in an application for funding. Any change to the annual budget for the grants programs for 2006 will be considered when the results of the community planning review by the Social Planning and Research Council is complete and staff recommendations are brought forward.

Theresa Eichler, MCIP
Community Planning Manager

Approved for Inclusion



David Shipclark
Manager, Community Development & Real Estate

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Attachment:

Staff Report to City from the Central Okanagan Foundation dated September 6, 2005

Report to City of Kelowna Council for 2005 Grants:

With the City of Kelowna's Community Social Development Grants and Grants to Address the Sexual Exploitation of Youth almost complete for 2005, we can look back at the year and reflect from the COF's point of view on how the granting program was carried out and recommend two changes which would help to improve and strengthen the granting process.

Of the twenty-six applications that were received in total, nine were interviewed by the *City of Kelowna/Central Okanagan Foundation Advisory Committee*. Recommendations were made to grant funds to thirteen of the applicants. These recommendations were approved by Kelowna City Council on April 18/2005.

Of the thirteen grantees, two were to Address the Sexual Exploitation of Youth. To date, funds have been paid out to eleven agencies with two requesting an extension until mid October. Only 90% of the approved funds have been paid to the eleven organizations as outlined in the letter of agreement between the applicants and the City of Kelowna. The remaining 10% is held back to ensure completion of the projects.

Of the 24 applications received by the COF, most of the projects and programs fell within the social policies listed in the City of Kelowna's Official Community Plan. The Committee's decision to short-list the Community Social Development applicants was in large part due to the fact that there was only \$57,800 available for distribution and the total requested amount was \$261,798.50. In the end the committee, did recommend that Council approve accessing \$24,950 from the City's Grant Reserve R117 due to the strength of the eleven applications.

The City of Kelowna has made a only slight increase to the total dollars available for Social Development grants since the program began in 1994 from \$50,000 to \$57,800 in 2005.

The program dollars have not kept pace with the increase in population, or inflation. While \$57,800 is much needed by local agencies and groups, the City needs to decide what role it will play in financial support to strengthen the social fabric of the community, and adjust the dollars available for granting accordingly. It is encouraging to see the City taking a serious look at the issue through the SPARC BC process. The COF appreciates being part of that review.

The second issue that came up during this grant cycle was in the area of granting funds retroactively. It was assumed by the *City of Kelowna/Central Okanagan Foundation Advisory Committee* that programs or projects that take place or would be completed prior to an organization receiving funds from the City's granting programs would not be considered. One of the agencies that had applied for and was approved for funding had a project completed in Feb 2005 and another planned for the fall of 2005. It was assumed by the Committee that they were approving a grant for the fall or winter project, not the one that had already completed. The group however, assumed they would apply the approved funds towards the program that had been completed in February even though it would be two months after completion of the project by the time the cheques were sent. In a conversation between the COF and the applicant agency, COF stated that the committee would not have approved funds for a project/program that had already been completed. In looking through the City's Community Social Development application and terms of reference no specific wording was found to support this position. The closest wording that was found in the Terms of Reference for Community Social Development Grants under the heading Special Projects Grants it states that: *"projects would not normally have been undertaken without this additional resource"*. It is recommended by the COF that specific wording in the grant application or terms of references state that funding for any project expenses incurred prior to Council's decision date will not be considered.

In reviewing the entire granting program, the COF staff, Board and committee members felt that the administering of the City of Kelowna's Community Social Development Grants and Grants to Address the Sexual Exploitation of Youth programs was a success. Comments received by the

Foundation to date, indicate that community groups were pleased with the process. The many benefits to the City of Kelowna, local charities and the COF that were outlined in a proposal to the City of Kelowna, have come to fruition. The administering of this program has resulted in increased visibility for the COF in the community, it has allowed us to build on our expertise as grantmakers, and is seen as an increasing valuable resource in the community.

An example of how the community benefited occurred in January '05 when an organization approached the COF to apply for an emergency grant from the City of Kelowna but ended up applying for an emergency grant from the COF instead due to the short time frame the COF requires in emergency grant situations.

The COF would be in support of continuing and building on this new type of partnership with the City of Kelowna. We trust that the City of Kelowna staff and Council are happy with the outcome and we look forward to working with you in the future.

September 6, 2005