

Work Session

Agenda Item #	7
Meeting Date	January 27, 2014
Prepared By	Sara Anne Daines, HCD Director Jessie Carpenter, City Clerk
Approved By	Brian T. Kenner City Manager

Discussion Item	Proposal for Revisions to Council Grant Programs
Background	<p>In response to the Council’s discussion of the City’s current grants process this past summer, staff has prepared recommendations for the revision of existing programming including the establishment of four new community grants programs, funding for FY15, and a new review process. The recommendations are offered in furtherance of the Council’s expressed interest in creating a transparent, accountable, easily understood, and accessible grants process for neighborhood organizations, nonprofits and other organizations seeking funding from the City.</p> <p>The following is a summary of the recommendations outlined in the accompanying proposal.</p> <p><u>New Grants Programs:</u> Staff is recommending the establishment of four new separate and distinct community grant programs: Mini Grants, Arts and Cultural Events, Program and Operational Support, and Capital Projects. Examples of eligible projects illustrating the focus of the individual grant programs are included in the accompanying proposal.</p> <p><u>Funding Levels and Grant Awards:</u> In the interests of providing the community with a greater understanding of the availability of grant funds, staff is proposing a specific allocation of funds in FY15 for each of the proposed grant programs, with minimum and maximum grant awards identified. Recommended funding levels are based in part on past grant awards and reflect a roughly 3.5% or \$7,885 increase in funding from FY14.</p> <p><u>Matching Requirements:</u> Match requirements are proposed for each of the recommended programs ranging from \$.50 to \$1 for every dollar of grant funds awarded.</p> <p><u>Restrictions on Number and Frequency of Grant Awards:</u> Given the Council’s desire to provide assistance to a range of organizations and interest in developing sustainable programming, staff is proposing that applicants be limited to two grant awards per fiscal year and no more than three consecutive years of grant funding for a specific project or program.</p> <p><u>Review Process:</u> To facilitate the review of applications in an open and transparent process, staff is recommending that all grant requests be evaluated by a Council appointed review committee representing each of the six wards. As proposed, the committee’s recommendations would be presented for consideration to the Council.</p>

<p>Background continued</p>	<p>The final determination of awards would be made outside of the budget process and would remain the sole responsibility of the Council.</p> <p>Additional information on staff’s recommendations for the restructuring of the City’s current community grants program will be presented at the January 21 Work Session.</p>
<p>Policy</p>	<p>To provide grant funding to organizations in support of projects and programming that benefits the Takoma Park community.</p>
<p>Fiscal Impact</p>	<p>FY15 Budget Recommendations: Total \$235,000</p> <ul style="list-style-type: none"> • Mini Grants \$ 10,000 • Arts and Cultural Events \$ 70,000 • Program and Operational Support \$105,000 • Capital Projects \$ 50,000 <p>Proposed funding levels do not include the City’s FY15 CDBG allocation and represent an increase of 3.5% of the total budgeted by the Council in FY14 (\$227,115) for community grants, community festivals and operational support.</p>
<p>Attachments</p>	<p>Community Grants Proposal</p>
<p>Recommendation</p>	<p>Discuss proposed program guidelines and provide direction on suggested funding levels, funding priorities, eligibility standards, and review process, and reporting expectations.</p>
<p>Special Consideration</p>	<p>As noted in the accompanying guidelines, staff is proposing the following as an alternative approach to two of the proposed grants:</p> <p><u>Mini Grants:</u> To leverage additional funds, increase access to diverse organizations and streamline the grants process, administration of proposed mini grants – the solicitation of applications, award of grants, monitoring of grantees and administration of grant funds – could be assigned, under contract after a competitive solicitation process, to another entity. Any administrative fee required by the entity could be assessed against the proposed FY15 budget, reducing the amount of grant funds available for distribution. Alternatively, additional funds could be allocated for anticipated administrative fees.</p> <p><u>Program and Operational Support Grants:</u> In support of the ongoing efforts of established business associations such as the Old Takoma Business Association and the Takoma Langley Crossroads CDA, the Council may wish to enter into a contract for services with each organization. This option would enhance the City’s economic development efforts while providing needed operating funds to these membership-based organizations. If this option is supported by the Council, the proposed FY15 budget would be reduced accordingly as it currently includes operational support for business associations.</p>

**City of Takoma Park Maryland
PROPOSAL - COMMUNITY GRANTS**

Funding Priorities

Projects or programming which

- Primarily benefit residents of Takoma Park
- Provide services to at-risk populations (LMI, etc.)
- Engage diverse members of the community
- Promoted civic involvement by under-represented populations
- Further the economic or environmental sustainability of the community
- Are offered in partnership with another organization
- Are free and open to the public

Types of Grants and Proposed FY15 Funding Levels

Proposed funding levels do not include the City's FY15 CDBG allocation and represent an increase of 3.5% of the total budgeted by the Council in FY14 (\$227,115) for community grants, community festivals and operational support.

- | | |
|-----------------------------------|------------------|
| • Mini Grants | \$ 10,000 |
| • Arts and Cultural Events | \$ 70,000 |
| • Program and Operational Support | \$105,000 |
| • Capital Projects | <u>\$ 50,000</u> |

Total FYI 15 \$235,000

Funding Limitations

- Maximum of two grants per organization per fiscal year
- Maximum of three years of consecutive funding for specific grant activity or for general operational support

Eligibility Requirements

- Nonprofits
- Business Associations
- Benefit Corporations
- Registered Tenant Associations
- Neighborhood Associations
- Grassroots Community Groups
- Parent Teacher Associations

General Conditions

- Match Requirements

A match is required for all grants and may include, unless otherwise noted, cash, donations of goods and professional services and volunteer time.

Volunteer time will be valued at \$22.14 per hour as determined by Independent Sector http://www.independentsector.org/volunteer_time#sthash.rQGcytoG.dpbs.

- Reporting Requirements

Quarterly accounting of grant activity with final narrative due upon completion of approved project or programming required.

Documentation of all grant expenditures (invoices, cancelled checks, etc.) and required match (receipts, award letters, copy of checks, etc.)

- Disbursement of Grant Funds

The disbursement of grant funds will be negotiated on a case by case basis and may include reimbursement of expenditures by grantee, direct payment to vendors, or quarterly disbursement of grant funds following submission of required reports.

- Application Requirements

The following is a partial listing of information that may be required of applicants, depending on the type of grant award and the organizational structure of the applicant. It is offered for illustrative purposes only and will be formalized upon finalization of the proposed community grant program:

- Application Form (including narrative, program budget, goals, anticipated outcomes, project schedule, etc.)
- Financial Information (such as IRS Form 990 - Return of Organization Exempt From Income Tax, Audited Financial Statements or Account Register, etc.)
- Verification of Organizational Structure (such as IRS 503c3 determination letter, Certificate of Good Standing with the State of Maryland, Listing of Board of Directors, etc.)
- Letters of Support or Endorsement

Review Process

- Staff Review: An initial internal review for purposes of determining completeness of the applications, compliance with program guidelines and eligibility of the applicant.
- Grants Review Committee: The Grants Review Committee, appointed by the Council, will evaluate applications based on established funding priorities, program guidelines and available funding. Recommendations of the Grants Review Committee will be forwarded to the City Council for consideration.
- City Council: The Review Panel will present recommendations for awards to the Council for consideration. The final determination of awards is the sole responsibility of the Council.

Preliminary Schedule

- January / February Refinement of Program Proposal
 Council Discussion / Endorsement of Proposal
- February / March Recruitment of Review Committee Members
- March / April Finalization of Program Materials / Application Process
 Appointment of Members to Review Committee
- April / May FY15 Program Budget Finalized
 Solicitation of Applications
- May Review of Applications
- June Award of Funds
 Execution of Grant Agreements
- July Beginning of FY15 Grant Year

DESCRIPTION GRANT PROGRAMS

Mini Grants

Small, community driven projects designed to create stronger, more connected neighborhoods. Applicants are encouraged, though not required, to partner with City Departments in the development and implementation of projects. Examples of eligible projects include but are not limited to neighborhood newsletters, block parties/neighborhood celebrations, trail development, installation of bike or scooter racks, community gardens, rain gardens, clean-up projects, oral or pictorial histories, energy saving measures, transportation costs associated with a specific activity, memberships in recreational or transportation programs (i.e. bike share), etc.

Note: To leverage additional funds, increase access to diverse organizations and streamline the grants process, administration of proposed mini grants – the solicitation of applications, award of grants, monitoring of grantees and administration of grant funds – could be assigned, under contract after a competitive solicitation process, to another entity (for example, the Takoma Foundation under the umbrella of the Community Foundation for Montgomery County). Any administrative fee required by the entity could be assessed against the proposed FY15 budget, reducing the amount of grant funds available for distribution. Alternatively, additional funds could be allocated for anticipated administrative fees.

Eligible Applicants Registered Tenant Associations
 Neighborhood Associations
 Grassroots Community Groups
 Parent Teacher Associations

Funding Levels Total Allocation FY15 - \$10,000
 Grant Awards Minimum \$500 / Maximum \$2,500

Required Match \$.50 per \$1 grant award
 In-kind Donations and/or Volunteer Hours

Arts and Cultural Events

The creation, fabrication and installation of permanent creative placemaking projects and cultural events that contribute to the livability of Takoma Park, engage diverse populations, and strengthen the community's commitment to the arts. Examples of eligible projects include but are not limited to public art installations, workshops, spoken word events, history lectures, film screenings or series, festivals, etc.

Eligible Applicants Nonprofits
 Business Associations
 Benefit Corporations

Funding Levels	Total Allocation	FY15 - \$70,000
	Grant Awards	Minimum \$2,500 / Maximum \$15,000

Required Match \$1 per \$1 grant award
Cash, In-kind Donations and/or Volunteer Hours

Program and Operational Support

Programming designed to have a long term impact, providing residents and organizations with the support and resources needed to address current or future challenges and develop sustainable skills needed to realize their full social, economic, and physical potential. Applicants are encouraged, though not required, to partner with other organizations and City Departments to leverage available resources. Examples of eligible projects include but are not limited to educational and mentoring programs, job training, microenterprise development, wellness and nutritional programs, energy conservation and environmental sustainability programs, and general operational support for community based or economic development organizations and business associations, etc.

Note: In support of the ongoing efforts of established business associations such as the Old Takoma Business Association and the Takoma Langley Crossroads CDA, the Council may wish to enter into a contract for services with each organization. An alternative to the above described grant scenario, this option would enhance the City’s economic development efforts while providing needed operating funds to these membership-based organizations. If this option is supported by the Council, the proposed FY15 budget would be reduced accordingly as it currently includes operational support for business associations.

Eligible Applicants Nonprofits
Business Associations
Benefit Corporations
Registered Tenant Associations
Neighborhood Associations
Grassroots Community Groups
Parent Teacher Associations

Funding Levels	Total Allocation	FY15 - \$105,000
	Grant Awards	Minimum \$2,500 / Maximum \$30,000(*)

Required Match \$1 per \$1 grant award
Cash, In-kind Donations or Volunteer Hours

(*) Not to exceed 30% of total budget for entities requesting general operating funds

Capital Grants

Funding for one time capital projects designed to advance Takoma Park's desire to create a vibrant and sustainable community that is economically efficient, environmentally sound, and socially equitable. Applicants are encouraged, though not required, to partner with City Departments in the development and implement of projects. Examples of eligible projects include but are not limited to construction of shared community facilities, development of community gardens, bicycle and pedestrian improvements, creation of public commons spaces, energy upgrades/retrofits, ADA improvements, etc. Requests for Capital Grant funds for projects primarily benefiting a for profit enterprise are not eligible for funding.

Eligible Applicants Nonprofits
 Business Associations
 Benefit Corporations

Funding Levels Total Allocation FY15 - \$50,000
 Grant Awards Minimum \$5,000 / Maximum \$30,000

Required Match \$1 per \$1 grant award
 Cash, In-kind Donations of Goods and Materials

GRANTS REVIEW COMMITTEE

Membership	Maximum of nine members
Make-up	Takoma Park Resident Ward Representative (minimum of one appointment per Ward) Demonstrated expertise in public arts, community development, grants management or other related areas of interest
Term	Staggered three year terms
Term Limits	Maximum of two consecutive terms
Recommendation	Initial appointment of members of the Small Community Grants Review Committee and participants in the CDBG review process