

Capitola City Council

Agenda Report



Meeting: October 9, 2025

From: City Manager Department

Subject: Community Grants Award Recommendation

Recommended Action: Approve grant awards for the 2025 – 2027 Community Grants Program Cycle, as recommended by the City Council ad-hoc subcommittee.

Background: On June 26, 2025, the City Council adopted the FY 2025–26 Budget, which allocates \$133,000 from the General Fund \$64,000 to the Early Childhood and Youth Programming (ECYP) fund to the Capitola Community Grants Program.

In addition, in this year's budget Council approved \$280,000 in Community Development Block Grant (CDBG) funding for Second Harvest Food Bank and Grey Bears to support programs that expand access to healthy food for families and provide essential senior services such as Lift Line and other resources.

On July 24, 2025, staff provided a presentation to the City Council about the Community Grants Program and requested Council feedback on elements of the Program, such as funding allocations, duration, and reporting requirements. After receiving a presentation and public comment, Council reaffirmed the three grant categories: Health and Wellness, Healthy Environments, and Healthy and Stable Housing and Shelter. In addition, the Council requested that recipients of "Outcome" grants (organizations receiving more than \$7,500/year) be required to provide a presentation to the City Council at a public meeting on an annual basis.

Council directed staff to release a notice of funding availability (NOFA) for a two-year community grants program cycle, including \$133,000/year in General Funding and \$49,000/year of Early Childhood and Youth Programming (ECYP) Funding. The Council also directed staff to allocate an additional \$15,000 of ECYP funding to the City's Community Services and Recreation Department to provide scholarships for local youth access to City programs. The two-year grant cycle is designed so that individual organizations' annual grant funding will remain the same in the Capitola Fiscal Year 2026-2027 Budget. The grant awards are valid and enforceable only if sufficient funds are available to the City for that future fiscal year.

During the July 24 meeting, the Council appointed Council Members Orbach and Westman to an ad-hoc subcommittee to review Community Grants Program applications. After the NOFA was released, grant applications were accepted for a month - due on August 29. On September 8, staff met with the ad-hoc subcommittee, who made the attached recommendation on how to allocate available grant funding to applicants.

Discussion: The ad-hoc subcommittee focused on providing the most funding possible to all applicants and maintained the recommendation to allocate \$15,000 of ECYP funds to Community Services and Recreation Department scholarships. Because General Fund grant requests exceeded the total amount allocated to the program, the ad-hoc subcommittee made several uniform reductions, including:

- If an organization applied for both an Outcome and Operational grant, only the Outcome grant was recommended.
- Reducing Outcome grants to a recommendation of \$10,000, rather than the maximum \$15,000.
- Reducing Operational grants to a recommendation of \$7,000, rather than the maximum \$7,500.
- The Boys and Girls Club grant request was recommended to be re-categorized to EYCP funding rather than General Fund. The Boys and Girls Club program, outlined in the application, provides local youth with one-to-one mentorship opportunities.
- Additional reductions were made to bring the total General Fund grant program recommendation within budget.

Attachment 1 lists each organization's funding request and the ad-hoc subcommittee's corresponding funding recommendation, highlighted in the light-blue column.

Fiscal Impact: The FY 2025-26 Budget includes \$133,000 General Fund for the Capitola Community Grants Program and \$64,000 in the Early Childhood and Youth Programming fund. All grant funding recommendations are within the approved budget.

Attachments:

1. FY 2025-2027 Grant Application Summary

Report Prepared By: Chloé Woodmansee, Assistant to the City Manager

Reviewed By: Julia Gautho, City Clerk

Approved By: Jamie Goldstein, City Manager