

Capitola City Council

Agenda Report



Meeting: October 13, 2022
From: City Manager Department
Subject: Community Grant 2022-25 Fund Allocations

Recommended Action: Consider the Community Grant Subcommittee grant award recommendations for program applications, excluding the grant requests from the Community Action Board and the Monterey Bay National Marine Sanctuary Foundation.

Background: Since 2020, City Council and staff have worked with Optimal Solutions Consulting to review the City's Community Grant program. A subcommittee was formed in early 2022 and on May 26, the subcommittee presented recommended program modifications which were approved by Council and implemented this grant cycle. These modifications included a significantly streamlined application to improve program access and transparency, and the creation of a three-year grant cycle, meaning applications will not be accepted until Summer 2025 for the next three-year grant cycle. The Community Grant Program has been allocated \$125,000 in FY 2022-23, with \$60,000 of additional funding specified for Early Childhood and Youth Programming.

On May 26, Council approved the creation of three grant categories, each allocated a percentage of the total funding: Stable/Affordable Housing and Shelter (50%), Health and Wellness (30%), and Healthy Environment (20%). Council did not prioritize specific categories within the Early Childhood and Youth Program funding. Council also approved the creation of two types of grants: Operational, with the maximum request of up to \$7,500 per applicant; and Outcome, with a funding range of \$7,500 - \$15,000. Outcome grants have a priority, with 70% of funding while Operational have 30% total funding. A chart detailing these priorities is included as Attachment 1.

Grant applications for Year 2022-2023 were due on August 15 and on August 25, City Council appointed Vice-Mayor Keiser and Council Member Brown to the subcommittee review Community Grant Program FY 2022-25 applications.

On September 8, staff met with the subcommittee and received a recommendation on how to allocate available grant funding to applicants.

Discussion: The City received 24 applications from 23 different organizations; two of which (Blue Circle and Mid County Senior Center) are first-time applicants.

Significantly, the applications received did not correlate with the grant category priorities set by Council; for example, though Council prioritized the Stable/Affordable Housing and Shelter category (intending to allocate it 50% of funding), only two of the 24 applications were in this category. Thirteen applications were self-categorized as Health and Wellness, and only one application was self-categorized as Healthy Environment. The subcommittee discussed funding categories to the maximum based on the previously set priorities. Doing so would have "overfunded" both the Stable/Affordable Housing and Shelter and Healthy Environment categories (leaving funding unallocated), while "underfunding" the Health and Wellness category (meaning several applications would not receive a grant award).

The subcommittee focused on providing the most funding possible to all applicants and did not want to have unallocated funding.

In a change from previous years, only six of all 24 applications indicated a specific grant request dollar amount: instead, most simply applied for either an Operational or Outcome grant. Because these two grant types are associated with a set funding range, it appears applicants did not consider including a specific request in their applications. For the next grant cycle in 2025, staff plans to include a grant request amount as part of the application.

Details on applications received are included in the FY 2022-2025 Grant Application Summary chart, included as Attachment 2.

Due to City Council conflicts of interest, this item includes all grant applicants except for applications from the Community Action Board (CAB) and the Monterey Bay Marine Sanctuary, which will be considered as separate items on this same meeting's agenda.

Fiscal Impact: The Fiscal Year 2022-23 cost of the subcommittee recommendation is \$125,000 from the General Fund for the Capitola Community Grant Program (CGP) and \$60,000 of dedicated Youth and Early Childhood program funding.

Attachments:

1. Community Grant Program, funding breakdown
2. FY 2022-2025 Grant Application Summary chart

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