



AGENDA REPORT SUMMARY

Meeting Date: October 11, 2022

Subject: City of Los Altos Non-Profit and Civic Organization Contributions Policy

Prepared by: Anthony Carnesecca, Economic Development Administrator

Reviewed by: Jon Maginot, Assistant City Manager

Approved by: Gabriel Engeland, City Manager

Attachment(s):

1. Resolution 22-XX City of Los Altos Non-Profit and Civic Organization Contributions Policy
2. City of Los Altos Non-Profit and Civic Organization Contributions Application
3. City of Los Altos Non-Profit and Civic Organization Contributions Audit Report

Initiated by:

City Council

Previous Council Consideration:

None.

Fiscal Impact:

The following policy will cost a varying amount depending upon the particular request from each organization.

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

- Does the City Council want to establish a formal policy for any contributions to non-profit and civic organizations benefitting the Los Altos community?

Summary:

- City Council has historically approved contributions individually due to a lack of policy.
- This policy will allow different avenues for City Council to allocate contributions to Los Altos non-profit and civic organizations.
- This policy will increase transparency for residents during the budget process.
This policy ensure the City meets its non-discretionary obligations for contracts and participation in JPAs.

City Manager

GE

Reviewed By:

City Attorney

JH

Finance Director

SN



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Staff Recommendation:

Adopt the City of Los Altos Non-Profit and Civic Organization Contributions Policy.

Purpose

Create a common policy outlining the process and requirements for non-profit and civic organization contributions from the City of Los Altos.

Background

The City of Los Altos has historically allocated funds to organizations. The City also allocates funds annually as legally required through contracts or participation in Joint Powers Authority (JPA) agreements.

The City Council directed staff to create a formal process for discretionary requests and contributions that could be implemented during the next regular budget cycle. The recommended policy will also make a distinction between the discretionary contributions to organizations, and the non-discretionary allocations, such as contract payments or participation in a JPA.

In the current budget year, the City has provided discretionary funds to:

- WomenSV (\$20,000)
- The Los Altos Chamber of Commerce (\$60,000)

The City provided non-discretionary funds, through contracts or JPA participation, as follows:

- The City of Los Altos has a signed contract with the Los Altos History Museum in the amount of \$65,000 annually.
- The City of Los Altos has a Joint Powers Agreement with Town of Los Altos Hills, City of Mountain View, Los Altos School District, Mountain View School District, Mountain View-Los Altos Union High School District, and Whisman School District for Counseling & Mental Health Services (CHAC) in the amount of \$49,000.

Discussion/Analysis

In an effort to increase transparency and budget certainty, the City Council directed staff to recommend a policy for contributions to non-profit and civic organizations. Additionally, this policy will create a distinction between discretionary and non-discretionary allocations.

City staff researched other cities' policies and created a policy that allows non-profit and civic organizations to request their contributions as part of the annual budget process. The most efficient use of time and resources is to consolidate this review so City Council will only need to complete one review of all non-profit and civic organization contribution requests annually. City staff will complete an initial review to verify that the organization has met all requirements for the program without any prior or outstanding issues with the City and will then incorporate initially-qualified



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requests into the budget for a review by City Council through the budget adoption process. City Council will retain final authority to approve or deny these discretionary funding requests.

All requirements for applicants are outlined in the resolution and reiterated through the application form attached to this agenda report.

In addition to discretionary funding requests, the City also provides funding to organizations that are not discretionary. Funding that takes place as part of a contractual obligation or participation in a JPA will also be included in the budget process, but will not be listed as discretionary.

The City Council may opt to enter into contracts with organizations as opposed to reviewing and approving certain expenditures on an annual basis. Contracts would allow long-standing organizations to not request funding annually while still meeting annual reporting requirements to verify that the funds are spent properly.

Recommendation

The staff recommends adoption of the City of Los Altos Non-Profit and Civic Organization Contributions Policy.