TOWN OF LOS GATOS

FINANCE COMMISSION REPORT

MEETING DATE: 11/09/2026

ITEM NO: 8

DATE: November 9, 2026

TO: Finance Commission

FROM: Chris Contantin, Town Manager

SUBJECT: Discuss Phases 2 and 3 of the Community Grant Program Review and Provide Direction to Staff Regarding Any Recommendations for Town Council Consideration

RECOMMENDATION:

Discuss Phases 2 and 3 of the Community Grant Program review and provide direction to staff regarding any recommendations for Town Council consideration.

BACKGROUND:

At the August 10, 2026, Finance Commission meeting, the Commission approved the Community Grant Program Review Scoping Memorandum as its roadmap for reviewing the Town's Community Grant Program. The review was organized into three phases: (1) applicant eligibility and grant administration, (2) review of the rental assistance program, and (3) review of conflict disclosure and recusal requirements.

Phase 1 focused on establishing baseline eligibility requirements for grant applicants and reviewing proposed eligibility screening and scoring methodologies applicable to both sustaining and competitive grants. Supporting materials included a proposed eligibility standard framework and revised scoring process.

At its September 30, 2026, special meeting, the Finance Commission reviewed the Community Grant Program and made recommendations to the Town Council related to grant policies, applicant eligibility screening, scoring procedures, award approval processes, sustaining grants, and grant administration.

PREPARED BY: Kristina Alfaro
Administrative Services Director

Reviewed by: Town Manager

DISCUSSION:

As part of its continued discussion of the Community Grant Review Process, the Commission will further consider Phase 2 and Phase 3 and any related recommendations.

Phase 2 – Rental Assistance Program Review
The Scoping Memorandum proposes reviewing the Town's rental assistance programs to evaluate program effectiveness, service delivery models, and funding levels. Topics identified for consideration include:

- Households served and cost-effectiveness of existing rental assistance programs.
- Use of multiple providers versus a single provider.
- The relationship between grant funding and contractual service arrangements.
- Program reporting, performance measures, and accountability.
- The effectiveness of the current prime contractor/subcontractor structure.
- Historical program outcomes and funding levels.

The Commission may discuss whether modifications to program structure, provider selection, funding levels, or reporting requirements should be recommended to the Town Council.

Phase 3 – Conflict Disclosure and Recusal Requirements
The Scoping Memorandum proposes a review of Council Policy 2-04 and related conflict disclosure and recusal practices applicable to elected officials, commissioners, and other participants in the grant award process. Topics identified for discussion include:

- Disclosure of relationships with grant applicants.
- Documentation of disclosures and recusals in the public record.
- Standards that exceed minimum legal requirements.
- Applicability of disclosure and recusal requirements to boards, commissions, and committees involved in grant evaluations. Potential revisions to Council Policy 2-04.

These phases would result in recommendations for the Town Council's consideration.

Attachments:
1. Scoping Memorandum
2. Commissioner's Communication – LGARC Audit