



Giuliana Carbone, Deputy City Manager

Social Development, Finance & Administration
100 Queen Street West
14th Floor, East Tower, City Hall
Toronto, Ontario M5H 2N2

Chris Brillinger
Executive Director

Tel: 416-392-5207
Fax: 416-392-8403
cbrillin@toronto.ca
www.toronto.ca

2017 OPERATING BUDGET BRIEFING NOTE

Community Partnership and Investment Programs (CPIP) and other Grant Programs

Issue/Background:

- The Community Partnership and Investment Program (CPIP) was established in 1998 and included all grants provided by the predecessor municipalities. During the 2012 Budget process, Council directed that the CPIP budget, totalling \$45.6 million, be allocated to the programs responsible for program delivery.
- The former CPIP budget is now included in the following six program budgets: City Planning; Economic Development and Culture; Shelter Support and Housing Administration; Social Development Finance & Administration; Toronto Public Health; and Transportation for a total 2017 Preliminary Operating Budget of \$67.0 million gross and \$64.5 million net. Please refer to Appendix A for details.
- At its meeting of December 20, 2016, the Budget Committee requested the Executive Director of Social Development Finance & Administration to provide a briefing note on:
 - a. General use of the Community Partnership and Investment Program (CPIP) inflationary increase by organizations receiving the grants
 - b. The number of FTEs CPIP grants created in community organizations in 2016
 - c. The community-level impact of a potential reduction in the Community Partnership Investment Program funding and other city granting programs, and
- Budget Committee has also requested the City Manager and the Deputy City Manager and Chief Financial Officer to provide a briefing note on:
 - a. A review of the various granting programs which used to be part of the consolidated grants showing increases and decreases as they pertain to inflation.

This Briefing Note summarizes all the above requests.

Key Points:

- a. **General use of the Community Partnership and Investment Program (CPIP) and other grant programs inflationary increase by organizations receiving the grants:**
 - The Social Development, Finance and Administration Division operates two grant programs: Community Services Partnership (CSP) with a funding envelope of \$16.1M and Community Investment Fund (CIF) with a funding envelope of \$3.5M. Together both programs support over 273 community organizations and leveraged over \$1.6 million in in-kind supports from other organizations and businesses. The funding also

enabled organizations to employ over 1,256 full time equivalents and engage over 33,000 volunteers to deliver programs to over 906,874 residents.

- In 2016, 16 organizations were funded through the Homelessness Initiative Fund (HIF), managed by Shelter, Support and Housing Administration (SSHA), with the majority of these funds used by the organizations to support the cost of staffing to provide services that help vulnerable people who are homeless, or at risk of homelessness, to find and keep housing.
- In 2016, StART, managed by Transportation Services, funded 17 urban renewal community projects. The average StART grant for 2016 was \$22,000. The core objectives of the StART street and mural art programs are to revitalize and engage communities, counteract graffiti vandalism, enhance Toronto's streetscapes, promote active transportation and support emerging as well as established artists. Currently StART operates six different programs.
- The Student Nutrition Program (SNP), managed by Toronto Public Health, uses all of the grant funds from the City for the purchase of food provided to children and youth at student nutrition programs. In 2016, SNP grants supported 15.5% of total estimated costs of student nutrition programs. The 2016 increase represents an annual incremental adjustment in funding geared to increase the City's contribution to reach 20% of the cost of the student nutrition program by 2018.
- Toronto Public Health also manages the Toronto Urban Health Fund (TUHF) program, which is cost shared with the province. TUHF is used in partnership with community-based organizations to ensure health services to prevent HIV infections and injuries from illicit substance use are delivered to high risk populations. Funding is provided as compensation for staff wages, peer wages and project material costs. Inflationary increases received contribute to partially cover annual increases in cost for wages and benefits and project expenses such as travel (TTC), food, project materials, and resource development.
- Economic Development and Culture (EDC) partners with the City's main arms-length arts funder, the Toronto Arts Council, to ensure funding to arts organizations and individuals. EDC delivers three grant programs directly, the Major Cultural Organizations, Local Arts Service Organizations and the Culture Build Investment Program. Collectively, this funding supports cultural activity across the city, enables the City to leverage resources, enhances planning and programs with major cultural institutions, and invests in sector development. Grant recipients nurture creativity, talent and diverse skill sets in the arts and cultural industries benefiting Torontonians. In 2015 EDC provided 976 grants to arts and cultural organizations.
- Arts and culture operating grant recipients do not receive regular inflationary or cost-of-living increases. Any increases are awarded based on the advice of a peer advisory panel, and are subject to the availability of funding within the City's budget. When additional funding is available, increases to arts and culture grants support new and enhanced programming, audience development across Toronto, job creation, community outreach, and more.
- Inflationary increases contribute to the increased salary costs that agencies pay to their staff, either as a modest cost of living increase, or to help offset mandatory union pay

increases. Agencies can have great difficulty retaining staff when they are unable to offer modest pay increases.

- COLA increases help organizations maintain their service levels and service quality in the face of increasing costs for space, staff, program supplies and other administration.

b. The number of FTEs CPIP grants created in community agencies in 2016:

In 2016, the CPIP grant programs enabled a total of 4,715 FTEs:

- 1,256 FTEs were supported through grants for 273 programs by the Social Development Finance & Administration,
- 41.6 FTEs were supported through the Homeless Initiative Fund grants delivered by Shelter Support and Housing Administration,
- 58.4 FTEs were supported through 49 projects funded by Toronto Urban Health Fund delivered by Toronto Public Health,
- 3,359 FTEs were supported through Arts and Culture funding by Economic Development and Culture.

c. The community-level impact of a potential reduction in the Community Partnership Investment Program funding and other City granting programs:

- Not-for profit community organizations funded through CPIP are often not able to absorb additional cost pressures without impacting service levels. They have very limited sources of funding, operate in a competitive funding environment, and are highly dependent upon the City's funding.
- Maintaining the CPIP funding at 2016 levels without providing inflationary increases to community organizations may significantly impact the ability to retain qualified staff and deliver programs across the community as well as limit their ability to create partnerships and innovative responses to community need.
- As requested by the Budget Committee, the impact of any potential reductions to the CPIP grant and other City grant programs is outlined below. These reductions are not included or recommended in the 2017 Preliminary Operating Budget:
 - A 2.6% proposed reduction in the Social Development Finance & Administration CPIP program to meet its budget target, which was not recommended, would result in 14% fewer projects funded in 2017 that support access equity and human rights, community festivals, community recreation, community safety and youth development. In 2016, an additional \$1.8M funding was needed to fund all recommended applicants that represents unmet community needs. With the loss of this grant funding, access to services will be further eroded.
 - Any potential funding reduction in the StART fund would further impact the grant amount available when only one of the 17 approved projects received the full grant amount requested in 2016. The other 16 projects received 5% to 25% less than they requested in order to at least partially finance the most worthy projects.

- A potential reduction in funding to the Homeless Initiative Fund would have a significant impact on services available for vulnerable people (often with mental health and/or addiction issues) that are homeless or at risk of homelessness. Some examples of the critical services provided with HIF funding include: housing help for LGBTQ youth, young parents, and other vulnerable clients; and, extreme cleaning services for people who are about to be evicted. This project provides intensive cleaning services in the City to individuals at risk of eviction due to unsanitary conditions. Clients also receive follow up services, including teaching and mentoring of housekeeping skills to ensure public health standards are met. These services are critical to helping people to find and keep housing. Without them, more people would likely be homeless. In addition, there would likely be significant community based job losses and massive service reductions.
- A reduction in Student Nutrition Program grants would have various impacts, including a reduction in the number of programs operating, thereby reducing the number of children and youth served. Additionally there would likely be a reduction in the number of days programs operate, and foods of lesser nutritional quality and quantity would be served.
- Over several funding cycles, the Toronto Urban Health Fund supported project costs have already been increasing at a rate that is greater than inflation, so any further reduction would result in further reductions in the number of community partners. Service targets and performance will be negatively affected which will result in increased challenges for Public Health in meeting the requirements of the Health Protection and Promotion Act. Capacity building efforts are increasingly more difficult to sustain as the non-profit sector is already plagued by low wages, high staff turnover rates and financial instability.
- Arts and culture grant recipients actively contribute to the building blocks for healthy and cohesive communities and a hub that provides community arts programs and services for the benefit of Torontonians. Arts and culture grant recipients share the common goal of serving the diverse needs in their community and across Toronto, making the arts, in all its diverse forms, broadly accessible and affordable. A potential reduction in funding would limit the ability of arts and culture organizations to deliver programming across Toronto, attract tourists to the city, and could result in job losses. A potential reduction in funding would hinder the daily fabric of community living and jeopardize existing resources and talent in Toronto to design, develop, facilitate and implement relevant arts services and programs, while inviting much-needed neighborhood investment.
- A reduction in arts and culture grants would also jeopardize Council's commitment to invest \$25 per capita in the arts by 2017. A plan to achieve this target was adopted by Council on June 11, 2013 outlined in the report entitled "Creative Capital Gains: Arts and Culture Funding Update. The report can be found at the following link:
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED22.3>

Grant Program Review - increases and decreases as they pertain to inflation:

Since the transfer of CPIP Grants to the City programs, a one-time retroactive increase for programs (except Arts and Culture budget), for 2011-2013 was approved by Council in 2013 at 2% for each year. Years 2014 through 2016 include approved inflationary increases for the Community Services programming managed by S DFA and Public Health, with annual increases averaging approximately 2%, in accordance with corporate inflationary factors for each of the years. The inflation for SNP for TPH is related to the cost increase of the good food basket. The inflation rates for 2013-2017 are 1.8%, 4.0%, 5.4%, 1.3% and 1.4%.

Public Health grants are cost shared by the province with the exception of the Student Nutrition Program grants which are 100% funded by the City. The City traditionally matches the annual provincial increases in the Student Nutrition Program to leverage additional provincial funding. Total increase in TPH for SNP and TUHF grants is \$5.545 million Net, in years 2013 through 2017, excluding inflationary increases. Please see Appendix A for the details.

Table 1, below, provides the inflationary increases for all CPIP programs except for Arts and Culture. Arts and Culture's budget has increased over the years under the Creative Capital Gains strategy to achieve \$25 per capita spending for the arts and culture, with an increase of \$11.373 million in years 2013 through 2016 to reach the per capita benchmark. The actual increase from 2012 to 2017 for Arts and Culture is slightly higher at \$11.689 million. Please see Appendix A for the details.

Table 1 – Inflationary Increases 2011-2017

Program	2011-2013	2014	2015	2016	2017	Total
Community Services (SDF&A)	994.1	390.0	386.7	409.8	-	2,180.6
Graffiti Transformation (Transportation)	22.0	-	-	-	-	22.0
Public Health (Toronto Public Health) Net	107.3	228.0	397.0	14.2	148.2	894.7
Homeless Initiatives Fund (Shelter, Support & Housing Administration)	155.3	-	-	-	-	155.3
Heritage Grant (City Planning)	57.0	-	-	-	-	57.0
Total GRANTS - Gross	1,451.2	660.8	827.8	575.6	173.0	3,688.3
Total Grants - Net	1,335.6	618.0	783.7	424.0	148.2	3,309.5

Prepared by: Barbara Powell, Manager Community Funding Unit, 416-397-7302 & barbara.powell@toronto.ca

Further information: Chris Brillinger, Executive Director, Social Development, Finance & Administration, chris.brillinger@toronto.ca or 416-392-5207

Date: January 10, 2017

Appendix A – Grants Summary of Changes 2012-2017

Name of Grant Program	2012 Approved Budget	2013			2014			2015			2016			2017		
		2011-2013 Inflation Increase	2013 Other Increase	2013 Approved Budget	2014 Inflation Increase	2014 Other Increase	2014 Approved Budget	2015 Inflation Increase	2015 Other Increase	2015 Approved Budget	2016 Inflation Increase	2016 Other Increase	2016 Budget	2017 Inflation Increase	2017 Other Changes	2017 Request
Arts & Culture																
Toronto Arts Council Grant Program	10,279		4,000	14,279		1,800	16,079			16,079		2,000	18,079	-		18,079
Toronto Arts Council Operation Program	1,234		200	1,434		200	1,634			1,634		100	1,734	-	(45)	1,689
Major Culture Organizations (MCO)	6,031		864	6,895		500	7,395			7,395		675	8,070	-	(155)	7,915
Royal Winter Fair	939		-	939		-	939			939		30	969	-		969
Local Art Services Organizations (LASOS)	533		300	833		500	1,333			1,333		372	1,706	-		1,706
Museums (non City)	81		-	81		-	81			81		-	81	-		81
Artscape	264		(264)	-		-	-			-		-	-	-		-
Culture Build	-		200	200		130	330			330		-	330	-	(86)	244
Glen Gould Foundation Award	15		-	15		-	15			15		-	15	-		15
Music Garden	13		-	13		-	13			13		13	26	-		26
Design Exchange			-	-		-	-			-		200	200	-		200
Gardiner Museum (Formally with MCO)			-	-		-	-			-		-	-	-	155	155
Sub-total: Economic Development & Culture	19,389	-	5,300	24,689	-	3,130	27,819	-	-	27,819	-	3,390	31,209	-	(131)	31,078
Community Partnership Investment Program																
Community Services Partnership Program (CSP)	12,698	1,683		14,381	317		14,698	387		15,085	319		15,404			15,404
Findhelp Toronto	545	22		567	13		580	-		580	25		605			605
Major Recreation	924	(924)		-	-		-	-		-	-		-		-	-
Community Investment Strategy								3,137		3,137	66	(40)	3,162		(70)	3,092
Access & Equity and Human Rights (AEHR)	805	35		840	5		845	(845)		-	-		-		-	-
Community Safety Investment (CSI)	697	25		722	3		725	(725)		-	-		-		-	-
Service Development Program *	408	25		433	19	300	752	(752)		-	-		-		-	-
Youth Led Initiatives	172	11		182	18		200	(200)		-	-		-		-	-
Community Festivals (Excludes Pan Am Projects)	103	16		119	16		136	(136)		-	-		-		-	-
Minor Recreation / now Community Recreation Investment Program	379	101		480	(1)		479	(479)		-	-		-		-	-
Sub-total: Community Services (SDF&A)	16,730	994	-	17,724	390	300	18,414	387	-	18,801	410	(40)	19,171	-	(70)	19,101
Transportation																
Graffiti Transformation	354	22		376	-		376	-		376	-		376	-		376
Sub-total: Transportation	354	22	-	376	-	-	376	-	-	376	-	-	376	-	-	376
Public Health																
Student Nutrition Program Gross	3,820	69	1,412	5,300	214	1,557	7,072	382	935	8,389	109	1,495	9,992	140		10,132
Student Nutrition Program Net	3,820	69	1,412	5,300	214	1,557	7,072	382	935	8,389	109	1,495	9,883	140	109	10,132
AIDS Prevention Gross	1,679	154	(104)	1,729	-	(1,729)	-	-	-	-	-	-	-	-	-	-
AIDS Prevention Net	498	39	(104)	432	-	(432)	-	-	-	-	-	-	-	-	-	-
Drug Prevention Program Gross	844			844	-	(844)	-	-	-	-	-	-	-	-	-	-
Drug Prevention Program Net	211		(0)	211	-	(211)	-	-	-	-	-	-	-	-	-	-
Toronto Urban Health Fund (TUHF) (Formerly AIDS & Drugs Prevention Program) Gross				-	57	2,573	2,630	59	150	2,839	57	414	3,310	33		3,344
Toronto Urban Health Fund (TUHF) (Formerly AIDS & Drugs Prevention Program) Net				-	14	643	658	15	38	710	14	104	828	8		836
Sub-total: Public Health (Toronto Public Health) Gross	6,343	223	1,308	7,874	271	1,557	9,702	441	1,085	11,228	166	1,909	13,303	173	-	13,476
Sub-total: Public Health (Toronto Public Health) Net	4,529	107	1,308	5,944	228	1,557	7,729	397	973	9,099	14	1,598	10,711	148	109	10,968
Shelter, Support & Housing Administration																
Homeless Initiatives Fund	2,504	155		2,659	-		2,659	-		2,659	-		2,659	-		2,659
Sub-total: Shelter, Support & Housing Administration	2,504	155	-	2,659	-	-	2,659	-	-	2,659	-	-	2,659	-	-	2,659
City Planning																
Heritage Grant	260	57		317	-		317	-		317	-		317	-		317
Sub-total: City Planning	260	57	-	317	-	-	317	-	-	317	-	-	317	-	-	317
Total GRANTS - Gross	45,580	1,451	6,608	53,639	661	4,987	59,287	828	1,085	61,200	576	5,259	67,035	173	(201)	67,007
Total GRANTS - Net	43,766	1,336	6,608	51,709	618	4,987	57,315	783	973	59,071	424	4,948	64,443	148	(92)	64,499

Notes: Arts and Culture - No inflationary increases have been requested for 2012 to 2017. Program increases are to meet the \$25 per capita for Arts and Culture. 2017 adjustment of \$131K is to meet Council directed reduction of -2.6%. The transfer of funding from Museum Cultural Organizations (MCO) to Gardiner Museum resulted from a Policy change defining the major cultural organization grants.

Social Development Finance & Administration CPIP other adjustments include \$300K increase in 2014 for emerging social needs, \$110K transfer to fund the 1652 Keele Street Community Hub.

Public Health - AIDS and Drug Prevention merged with Toronto Urban Health Fund in 2014.