



STAFF REPORT ACTION REQUIRED

Establishment of a Community Development Reserve Fund to Support Community Development Joint Ventures

Date:	February 13, 2012
To:	Executive Committee
From:	Executive Director, Social Development Finance & Administration Deputy City Manager and Chief Financial Officer
Wards:	Ward 11 – York South-Weston
Reference Number:	AFS# 15031

SUMMARY

The purpose of this report is to obtain authority to establish a reserve fund to receive contributions for Community Development joint ventures and to receive the first two contributions, \$1.1 million from Metrolinx and up to \$500,000 from Toronto Community Foundation for community development work in the Weston-Mount Dennis neighbourhood area.

The new Community Development Reserve Fund will be established for the purpose of receiving and holding external funding to be utilized for community development project expenses for joint initiatives in future years. Funds will be withdrawn as part of the normal capital and operating budget process.

This report also seeks authority to enable Cluster A Divisions that are managing community development joint ventures to contact with, and disperse funds from the reserve to, non-profit community organizations in the delivery of community development projects.

RECOMMENDATIONS

The Executive Director of Social Development, Finance and Administration and the Deputy City Manager and Chief Financial Officer recommend that:

1. The Deputy City Manager and Chief Financial Officer be authorized to establish an obligatory reserve fund called the “Community Development Reserve Fund” for receiving cash contributions for community development projects supporting local capacity building, resident engagement, revitalization and redevelopment as per the criteria noted in the comments section of this report;
2. Municipal Code, Chapter 227 [Reserves and Reserve Funds] be amended by adding the “Community Development Reserve Fund” to Schedule No. 15 - Third Party Agreements Obligatory Reserve Funds;
3. The Executive Director, Social Development, Finance and Administration be authorized to execute agreements, in a form satisfactory to the City Solicitor, to accept contributions into the Community Development Reserve Fund;
4. All contributions received by the City for the Community Development Reserve Fund be held and accounted for within a separate account in the Community Development Reserve Fund designated for the particular purpose of the contribution;
5. The City accept the contribution from Metrolinks of \$1.1 million to support the redevelopment of the Toronto Parking Authority's (TPA) surface parking lot at 16 John Street as a Cultural/Creative Hub, including the Weston Village Farmer's Market, replacement TAP parking and a residential component;
6. The City accept contributions of up to \$500,000 from Toronto Community Foundation to support the Recipe for Community Change project in the Weston-Mount Dennis neighbourhood area. The project will support resident-identified initiatives in the areas of neighbourhood greening and beautification, community gathering, food and nutrition, and youth engagement;
7. The Executive Director, Social Development, Finance and Administration be authorized to execute, administer and negotiate agreements, in a form satisfactory to the City Solicitor, with community agencies for the provision of funding from the Community Development Reserve Fund for community development projects, on the following conditions:
 - (a) Any community agency receiving funding hereunder shall:
 - i. be an incorporated not-for-profit community-based organization;
 - ii. be located in the city of Toronto;
 - iii. serve Toronto residents;
 - iv. be responsive to community need;
 - v. not have any unmet contract or agreement deliverables with the City of Toronto; and

- (b) All community development projects authorized hereunder shall deliver programs and services that are aligned with a City mandate, as determined by the Executive Director; and
- 8. Leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Financial Impact

This report recommends the creation of a Reserve Fund to support community development joint initiatives with community foundations, private sector partners and other orders of government. Funding has currently been secured from two external sources to support the development of two Weston Revitalization Signature Initiatives, namely:

1. \$1.1 million from Metrolinx to support the redevelopment of the Toronto Parking Authority's surface parking lot at 16 John Street as a Cultural/Creative Hub, including the Weston Village Farmer's Market, replacement TAP parking, and a residential component.
2. Up to \$500,000 from the Toronto Community Foundation will be directed to resident-identified community projects in the areas of neighbourhood greening and beautification, community gathering, food and nutrition, and youth engagement under the umbrella of Recipe for Community.

Future contributions and withdrawals from this reserve to support community initiatives will be identified through the operating and capital budget process and/or reported to City Council as appropriate.

No direct City of Toronto funding is committed to implement initiatives.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

Social Development, Finance and Administration, the Toronto Office of Partnerships, and other Cluster A Divisions regularly secure external funding from community foundations, private sector partners and other orders of government to develop and implement community development initiatives to support enhanced opportunities for residents and positive changes in communities. In some instances, the timeframe for multi-stakeholder planning processes required to develop effective community initiatives is unpredictable. In these instances, City divisions managing this work require flexibility between receiving the funds and allocating the appropriate budget year for when the funds will be expensed. Such is the case with the funding from Metrolinx and the Toronto Community Foundation.

Often these initiatives are done jointly with community partners who bring additional skills and investments to specific projects. Given the City's success in attracting partners who contribute to community development, it is prudent to establish a reserve fund which can accept contributions as they become available.

Critical to the establishment of this reserve fund will be the ability of Cluster A Divisions to disperse funds to non-profit community organizations who are partners in the delivery of specific community development work.

COMMENTS

At its meeting on February 14, 2012, Etobicoke Community Council will be considering a companion report by City Planning about the Weston 2021 Revitalization Strategy, a long-term neighbourhood-building approach. External partnership funding has been secured to support the development of two Weston Revitalization Signature Initiatives, the Cultural/Creative Hub and Recipe for Community:

1. \$1.1 million from Metrolinx will be directed to support the redevelopment of the Toronto Parking Authority's surface parking lot at 16 John Street as a Cultural/Creative Hub, including the Weston Village Farmer's Market, replacement TAP parking, and a residential component.
2. Up to \$500,000 from the Toronto Community Foundation will be directed to resident-identified community projects in the areas of neighbourhood greening and beautification, community gathering, food and nutrition, and youth engagement under the umbrella of Recipe for Community.

The Weston 2021 Revitalization Strategy is a complex, multi-stakeholder initiative. The project management team is just beginning its work to coordinate and develop the various community development initiatives. As a result, it is not yet clear which budget year these two funds will be expensed.

The Community Development Reserve Fund will be used to accept these contributions, as they become available, for project initiatives focused on community capacity building, redevelopment, revitalization and engagement. This reserve fund will allow flexibility to Cluster A Divisions, such as Social Development, Finance and Administration to accept contributions for work on community development projects where there is a timing gap between the receipt of funds and the budget authority to spend such funds.

Criteria

Such a reserve fund would be called the Community Development Reserve Fund and would have the following criteria:

- (a) **Statement of Purpose:**
To receive cash contributions toward community development projects supporting local capacity building, resident engagement, revitalization and redevelopment;

- (b) **Service Area:**
Social Development Finance and Administration shall have primary responsibility for the administration of the reserve fund;
- (c) **Initial Contributions:**
\$1.1 million from Metrolinx and up to \$500,000 from the Toronto Community Foundation;
- (d) **Contribution Policy:**
Funds from contributing partners will be deposited as received in this reserve fund;
- (e) **Withdrawal Policy:**
Funds will be withdrawn as part of the normal capital and operating budget process for the purposed project(s) as divisions and City agencies are prepared to proceed;
- (f) **Review Cycle:**
Accounts within the fund will be reviewed every three years, will be closed when funds for the account are spent, but the fund itself will only be closed when either all funds are spent or the initiative ends.

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