



## STAFF REPORT ACTION REQUIRED

### Investment Funding Programs – 2016 Allocation Recommendations for Service Development and Improvement Program and Request for Approval for New Initiatives

<b>Date:</b>	May 4, 2016
<b>To:</b>	Community Development and Recreation Committee
<b>From:</b>	Executive Director, Social Development, Finance and Administration
<b>Wards:</b>	All
<b>Reference Number:</b>	23138

#### SUMMARY

This report recommends the allocation of funding for eight returning multi-year Service Development and Improvement Program (SDIP) projects. The report also seeks Council authority to issue a call for proposals for four new initiatives to advance the Council TSNS 2020 and Toronto Poverty Reduction Strategies with funding from the Emerging Neighbourhood Fund. The report also requests delegated authority for the Executive Director, Social Development, Finance and Administration to allocate funding of up to \$395,000 from the Emerging Neighbourhood Fund to the selected grant recipients.

Grants help the City of Toronto achieve its social, economic and cultural goals for its residents. The City's goals are better achieved by supporting the work of organizations that are closer to the communities they serve.

#### RECOMMENDATIONS

The Executive Director, Social Development, Finance and Administration recommends that:

1. City Council approve the allocation of \$275,000 to eight returning multi-year funded organizations through the Service Development and Improvement Program (SDIP) as noted in Appendix A.
2. City Council authorize the Executive Director, Social Development, Finance and Administration to allocate, issue and enter into agreements for up to \$395,000 in grants through a call for proposals to selected proponents and report back to Community

Development and Recreation Committee on awards made to the selected grant recipients for the following initiatives:

- i. To pilot a certificate/college credit training program for residents from Neighbourhood Improvement Areas (NIAs) to advance Council approved Toronto Strong Neighbourhoods Strategy 2020 (TSNS 2020) and the Toronto Poverty Reduction Strategy through a Local Champions Pilot;
  - ii. To pilot and evaluate a funding model for capacity-building supports (organizational mentors) to City-funded emerging/grassroots groups;
  - iii. To a not-for-profit organization, in collaboration with SDFa, to develop a community hub strategy and feasibility study to address the needs of youth and seniors in Central Etobicoke; and
  - iv. To a not-for-profit agency to develop the operations and financing model for an emerging community hub in Thorncliffe Park.
3. City Council request Social Development, Finance and Administration to undertake a comprehensive review of the City's role, funding approaches, and policy implications of supporting community hubs in Toronto.

## **Financial Impact**

The recommendations in this report will have no impact beyond what has already been included in the 2016 Approved Operating Budget for Social Development, Finance and Administration (SDFa).

This report recommends funding eight grant initiatives totalling \$275,000 and requests authority to issue call for proposals and allocate \$395,000 for four new initiatives. Funding for these initiatives is available through the 2016 Approved Community Partnership Investment Program.

SDFa will report back to the Community Development and Recreation Committee in the fall of 2016 on the results of the call for proposals. Funding for approved applications that have not been awarded in 2016 will be included in the 2017 Budget Submission for SDFa.

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

## **DECISION HISTORY**

The City of Toronto provides support to the not-for-profit sector through funding programs under the general authority for making municipal grants provided in Section 83 of the City of Toronto Act, 2006 (S.O. 2006, c.11)

The 2016 Operating Budget for Social Development, Finance and Administration includes funding for the Service Development and Improvement Program and Emerging Neighbourhoods programs. The budget amount includes an economic factor increase.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX12.2>

City Council approved the 2015 Service Development Investment Program allocations totalling \$570,000 that was allocated to 16 organizations as described in Appendices A and C of the report (May 6, 2015) from the Acting Executive Director, Social Development, Finance and Administration.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.CD4.6>

On April 13, 2016 the Community Development and Recreation Committee requested the Executive Director, Social Development Finance and Administration to report on a strategy to address the needs of youth and seniors in lower income, disadvantaged neighbourhoods in Central Etobicoke (Wards 3 and 4) that are not directly supported through the Neighbourhood Improvement Area resources.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.CD11.1>

## ISSUE BACKGROUND

Service Development and Improvement Program (SDIP) provides multi-year project funding to coalitions and organizations that develop community capacity and build effective partnerships within Neighbourhood Improvement Areas (NIAs) and across the city. SDIP was established to enhance the organizational capacity of coalitions and not-for-profit organizations and provide service stabilization for organizations in Neighbourhood Improvement Areas (NIAs) and other priority areas.

As part of the 2014 Operating Budget process, Council approved an additional \$300,000 in Community Funding in Social Development, Finance and Administration (SDFA) to support continued emerging needs in underserved areas. In 2014, four projects from eight neighbourhoods (combined into four) that are transitioning from the Neighbourhood Improvement Area portfolio were approved for two-year funding. The funding commitments are completed as of 2015. In 2016, Emerging Neighbourhood Fund (ENF) total funds were integrated into the Social Development Finance and Administration's (SDFA) 2016 Community Funding base budget.

## COMMENTS

This report recommends \$670,000 from the Emerging Neighbourhood Fund (ENF) and Service Development and Improvement Program (SDIP) to support the following initiatives:

1. *Service Development and Improvement Program (SDIP)* – allocations to eight (8) returning multi-year approved projects.
2. *Local Champions Pilot – Advancing TSNS 2020*: to pilot a certificate/college credit training program for residents from Neighbourhood Improvement Areas (NIAs) to advance Council

approved Toronto Strong Neighbourhoods Strategy 2020 (TSNS 2020) and the Toronto Poverty Reduction Strategy.

3. *Organizational Mentors Pilot – Supporting Emerging Groups*: to pilot organizational mentors for City-funded emerging groups, specifically to youth-led projects funded through the Investment 'N Impact (INI) grant program.
4. *Community Hubs*: to develop a community hub strategy and feasibility study to address the needs of youth and seniors in Central Etobicoke, and the operations of an emerging hub in Thorncliffe Park.

## **1. Service Development and Improvement Program (SDIP)**

Staff recommends allocating \$275,000 in 2016 to the remaining eight (8) returning initiatives that had been approved for multi-year funding in previous years.

In 2015, two SDIP projects were defunded due to performance concerns. Through Council-approved delegated authority, SDAFA approved one resident group to take over the implementation of the Council-approved project (as indicated in the project summary) while the other is being re-issued for applications to the same community. Staff will report on the delegated authority of the approved project in a subsequent report.

The returning projects are recommended for another year of support based on their demonstrated progress. Funds in the amount of \$275,000 are available to support all eight applicants – all of which have demonstrated fit with program criteria. Recommended projects are focused on a wide range of relevant and priority outcomes including: strengthening the capacity of community hubs in Neighbourhood Improvement Areas, and, enhancing resident engagement through leadership development.

Project descriptions for each initiative are provided in Appendix A, including the specific neighbourhoods to be served by the projects.

## **2. Local Champions Pilot – Advancing TSNS 2020**

To build resident leadership and advance the Toronto Strong Neighbourhoods Strategy 2020 (TSNS 2020) strategy, staff propose to fund a not-for-profit organization to develop and deliver a “train the Trainer” capacity development certification/college credit pilot that will target residents living in the 31 Neighbourhood Improvement Areas and Emerging Neighbourhoods.

This pilot will support local neighbourhood planning tables across the City of Toronto by resourcing local actions and supporting residents to leverage their experiences to gain professional certification in the areas of Project Management and Facilitation.

One of the focus of TSNS 2020 is resident engagement. As local planning tables develop their Neighbourhood Action Plans, the opportunity for resident involvement beyond group participation has increased. Residents have taken on roles as facilitators, animators and project developers to deliver many local projects. The need for a sustainable, capacity development

model for local residents that involve ongoing opportunities for participation, development of an alumni network and employment opportunities has been identified by community partners and City staff. The development of resident's skills, confidence and networks enhances their employment prospects and supports the Poverty Strategy goals.

Staff have reviewed resident engagement models from other communities and are proposing to model the Local Champions Pilot program after the Hamilton's Neighbourhood Leadership Institute, a partnership project led by the Hamilton Community Foundation, Mohawk College, City of Hamilton, and Social Planning & Research Council of Hamilton.

The goals of Local Champions Pilot align with the following TSNS 2020 action areas:

- *Enhanced Resident Engagement and Capacity Development:* Increase the opportunity for resident across identified communities to increase skills, awareness and participation in decision making and leadership in delivery of identified local actions.
- *Targeted Investments:* This project will target investment to the 31 NIAs and Emerging Neighbourhoods.
- *Networks and Partnerships:* This project will support the development of local action plans identified by TSNS local planning process and will enhance the partnership between local communities and academic institutions.
- *Continuous Service Improvements:* The pilot will support the delivery of local action plans and improve the opportunities for local residents to enhance their skills through facilitation employment opportunities, certification and ongoing peer support.
- *Legacy Impact:* This pilot builds on the impact of two years of the Emerging Neighbourhood Fund that supported four emerging neighbourhoods. In addition, the pilot will have a multiplier effect for the investments made to individual resident-led groups in NIAs through the Service Development Improvement Program (SDIP) by creating a system of direct training and supports to residents.

Staff propose the pilot to be implemented in the following phases:

- **Feasibility study:** Secure a third party, not-for-profit organization to develop a feasibility study that examines the Hamilton leadership model and develops a curriculum and evaluation framework that adapts to the Toronto context.
- **8 to 10 week Curriculum:** Curriculum to be designed to support experiential learning, group processing approaches and implementation of a neighbourhood identified action.
- **Evaluation Framework:** to determine the best model to implement over the lifetime of TSNS 2020.
- **Micro-Grants:** Develop and implement a micro-grant program.
- **Development of an Alumni Network:** Supports alumni of the program to stay connected and informed of ongoing employment opportunities and ongoing professional development opportunities.

Total estimated program costs are related to the one time adaptation and development of a customized program (\$50,000), and the implementation and evaluation of the pilot in 2016-2017 (\$150,000) with 50 residents for an estimated total cost of \$200,000, to be issued through a call-for-applications to not-for-profit organizations with expertise in delivering such training.

### 3. Organizational Mentors Pilot – Supporting Emerging Groups

In 2015, Community Investment Funding programs funded a total of 141 projects, of which 33% were grassroots neighbourhood-based groups. Grassroots groups are required to find a qualified trustee organization with expertise in the project area, strong financial and administrative policies, procedures and oversight, and audited financial statements to receive the grant. In some cases, City funding were the first grants the grassroots groups ever received and sourcing a trustee organization proved difficult and took many months.

Incorporated organizations across the City are acting as trustees (or shared platforms or organizational mentors). Some trustee relationships are transactional in nature, while others provide capacity building supports to group leaders<sup>1</sup>. These supports are provided with varying degrees of success. The vast majority are providing such supports in addition to running their main programs and services; a very few organizations are funded directly to do such work. To address this emerging field of work and the gap in the sharing of best practices, the Ontario Nonprofit Network (ONN) released a guidebook and Organizational Practices Checklist<sup>2</sup> in March 2016.

Community Investment funding allow for up to 20% of the grant to be used for trustee fees. However, some trustee organizations forgo the fees altogether, or radically reduce their fee. A 2015 research update from the Laidlaw Foundation recommended external sources of funding<sup>3</sup> for trustees or organizational mentors.

In 2015, City Council directed SDFFA's Community Funding Unit to look for ways to increase supports to new and emerging groups. History of providing capacity-building supports for applying and funded grassroots groups has demonstrated that it is resource- and time-intensive for grants staff. Supports provided by Community Development Officers from the Community Development Unit is currently being leveraged. However, their supports are limited to groups in NIAs. There is a need to build a community infrastructure of strong organizational mentors (trustees or shared platforms) for emerging/grass-roots groups before increasing numbers are funded by the City.

Staff recommend piloting a call for proposals in 2016 from qualified organizations to act as Organizational Mentors to Investment Funding grant recipients such as youth-led groups from the Identify 'N Impact grant program. The Organization Mentors' services will be free to funded groups. Funded groups will not be required to use the funded Organizational Mentor should they already have working relationships with a trustee; however, their trustee fee will need to come from their grant funds as is currently the practice.

A total of \$140,000 for one year (\$70,000 per Organizational Mentor) will provide funds to two organizations for: dedicated staffing and oversight; trusteeing, mentoring and providing one-on-one supports for up to five (5) City-funded groups; regular capacity building supports/training for

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<sup>1</sup> [Sector Signal: A Platform for Change](#), Mowat NFP, September 2013

<sup>2</sup> [Shared Platform Guidebook](#), Ontario Nonprofit Network, 2016

<sup>3</sup> <http://laidlawfdn.org/news/post/shared-platforms-research-update/>

grassroots groups in the City (whether funded or not by the City); and use of the ONN's Organizational Practices Checklist with City-funded trustee groups. Staff recommends \$10,000 be allocated to one of the funded groups to secure a third-party evaluator. The evaluation of the pilot initiative will add to the Community Investment Funding strategy review of the needs of capacity building supports for City-funded emerging groups.

#### **4. Community Hub Development**

In April, 2016 the Community Development and Recreation Committee heard from a coalition of groups from Central Etobicoke for the need for a community hub (it is not designated as Neighbourhood Improvement Areas (NIA)), and directed S DFA staff to report on a strategy to support vulnerable populations in the community.

In addition, S DFA staff have been working with community groups in the Thorncliffe Park neighbourhood (designated NIA) over the past year in facilitating their plans to establish a community hub. The hub is intended to be multi-purposed and adaptable, used by multiple providers to deliver a basket of services that are tailored and adapted over time to meet the changing needs of clients and community. Up to seven community and City partners have completed a strategic planning session, are in negotiations with a potential landlord, secured \$25,000 from United Way (funds will expire in June), and have secured the services of pro-bono administration and professional architect.

*Current City support of Community Hubs:* The City provides in-kind financial supports through subsidized rent (at \$1/year) in the co-location of 121 not-for-profit agencies in City-owned buildings through the Community Tenancy program. In 2015, two SDIP grants were allocated to two hubs in North York for the coordination of services, and one Community Safety Investment grant to a hub in Malvern. In addition, the Community Service Partnership program provides core funding to the lead organization of a community hub in Scarborough.

There is no dedicated funding source currently available at the City to fund community hubs.

The 2015 report on community hubs issued by the Ontario government<sup>4</sup> noted that financial sustainability of hubs is a persistent issue that requires adaptable and flexible financing models. The report includes an action item to review options to "leverage municipal financial tools...to support the creation of new community spaces."

Staff recommends providing a total of \$45,000 for the development of a community hub strategy by community agency practitioners. Specifically:

- \$20,000 to a not-for-profit agency to develop a community hub strategy and feasibility study for Central Etobicoke, in partnership with S DFA.
- \$25,000 to a not-for-profit agency to fund operations and develop a financing model for an emerging community hub in Thorncliffe Park.

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<sup>4</sup> [Community Hubs in Ontario: A Strategic Framework and Action Plan](#), Premier's Advisory Group on Community Hubs, Province of Ontario, 2015

Staff recommends a comprehensive review of the City's role, funding approaches, and policy implications of supporting community hubs in Toronto

## **CONTACT**

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## **SIGNATURE**

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Appendix A: 2016 Service Development and Improvement Program (SDIP) Allocation  
Recommendations: Projects Recommended for Continued Funding

Appendix B: 2016 Service Development and Improvement Program (SDIP) Allocation  
Recommendations: Summary of Projects Recommended for Continued Funding