

REPORT TO CITY COUNCIL

DATE: MARCH 26, 2008

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: NATHAN HAMBURGER, ASSISTANT CITY MANAGER

SUBJECT: BUDGET WORKSHOP – COMMUNITY GRANT APPLICATION PROCESS

Through past City Council direction, staff has worked through the Finance Committee to revamp the Community Outreach Grant process. In preparation of this current year's budget process several issues were raised by members of the City Council in which staff would like to receive further clarification and direction.

As a quick review, staff begins to distribute the grant applications by February. Applications and information is mailed to past recipients, organizations that have requested to be on our mailing list, and groups that have inquired about the grant. In addition, staff works with The Acorn staff to get either an ad or article regarding this program printed. Applications are typically due by the beginning of April. The most recent grant application is attached to show the requirements for the organization(s) that would be eligible for this type of funding. As applications are submitted by the designated deadline, staff prepares packets for the Finance Committee to review and recommend levels of funding. Staff's only review of the applications is that all application requirements have been met, including an expenditure report of past funding.

The issues that staff would like to receive feedback and direction on are as follows:

- 1) Application Deadline: Staff has utilized an application deadline in order to allow time for a review of the applications by staff and the Finance Committee prior to being presented to the entire City Council for approval. This has also allowed staff to appropriately budget for the upcoming fiscal year. In the past, staff has denied late applications or requests to obtain applications after the deadline. Staff would like direction on whether or not this deadline is a "hard" deadline or if applications can be accepted up to a certain time, for example; until the formal approval of the fiscal year budget.
- 2) Annual Funding Levels: In the past, staff has utilized the grant award totals as the correlating expenditure for the upcoming fiscal year budget (if \$15,000 awarded, that amount is budgeted). Members of the City Council have in the past expressed placing a maximum dollar amount on the entire grant program. The annual dollar amounts of the total grants awarded has only slightly fluctuated over the past five years and tends to be in

the range of \$20,000 to \$25,000 annually, although staff has been receiving a larger number of applications request this current year.

- 3) **Maximum Time Length of Funding:** The Community Outreach Grant program currently allows organizations to submit applications in consecutive years with no maximum on the amount of times a specific organization can be awarded funding. Staff has reviewed similar type programs in other cities and has observed that of the cities that do have this type of program, many have some type of limit on the amount of consecutive fiscal years an organization can be awarded grant funds. One thing to consider is that although a limit on the number of years an organization can receive funding restricts non-profit organizations not locally based but could have a direct effect on PFA's or local groups that would cease to exist without the City's assistance.

Any deviations from the current process can most likely be adopted into the current application process as staff works to prepare the fiscal year 2008-09 budget.

RECOMMENDATION

It is respectfully recommended the City Council review the information presented and provide direction to staff.

Attachment: 2008 Community Outreach Grant Application