

Local Partnership Funding Options

3/29/2019

Background

Each year the Littleton City Council considers requests for discretionary grants, historically from nonprofit organizations that serve Littleton residents, and awards the grants to the organizations during the budget process. Requests may include operational, one-time special purpose grants, or event sponsorships (in-kind or cash). This is a competitive process as council always receives more requests than it has funds available. For additional information, visit <https://www.littletongov.org/connect-withus/city-leadership/nonprofit-discretionary-grants>.

In the past, there have been limited parameters set around these grants and the process has been nebulous. For the 2019 budget meetings, staff reviewed the policies and processes of many other municipalities, and made policy recommendations to council that were closely aligned with past practice and less restrictive than a number of other municipalities. Council made awards in a similar fashion to past years.

At the 2019 Council Retreat the topic was visited again and council directed staff to bring forward options. While continuing the program as is and eliminating the program were considered, staff is proposing the following three options, which include creating a policy to set clearer parameters around the current process, utilizing Community Development Block Grant (CDBG) funds, and changing the application and review process to align with Priority Based Budgeting (PBB).

Recommendation

Staff recommends the following steps:

- Step 1: Council adopt a policy around the process (see included recommendations).
A policy will provide support for council in making determinations and clear guidelines for applicants, in addition to mitigating potential risks from ad hoc award determinations. This can be implemented for the 2020 cycle if council acts swiftly on the policy adoption.
- Step 2: Staff will evaluate and look for opportunities to connect the local partnership funding to PBB as implementation is continued over the next two years.
- Step 3: Staff will evaluate opportunities to directly pay for, or somehow support these services with the use of CDBG grant funding. CDBG is not currently administered by the city and will require coordination with Arapahoe County to determine the viability of use for this purpose. Staff proposes to continue working on this option and bring information back to council as it is available.

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POLICY RECOMMENDATIONS

Set a total amount:

- Set a total award amount that can be used in budgeting and awarding of grants
- Establish the total funding amount annually via the budgeting process

Preference to:

- Programs and events historically supported by the city that directly serve citizens
Items with the most connection to Council Goals and Objectives (as identified in the Envision Littleton Process)
- Items with the greatest community impact
- Items with the highest number of citizen participants
- Established service providers within the city

Grants will not be awarded for:

- Debt or deficit reduction
- Events/activities outside the city
- Capital improvements
- For-profit events/activities

Other:

- All applicants must agree to reference the city as a sponsor for programs supported via monetary grants or in kind sponsorship
- Individual awards are capped at \$20,000
- No more than 15% of funds should be used for new, or non-established, service providers
- Applicants must submit a brief summary of how prior year funds were used and contributed to the community with any subsequent applications

TIMING

This can be implemented for the 2020 cycle if policy recommendations are adopted in April.